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Printed for the use of the Foreign Office. *July* 1909.

CONFIDENTIAL.

(9491.)

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FURTHER CORRESPONDENCE

RESPECTING THE

AFFAIRS

OF

ASIATIC TURKEY AND ARABIA.

[In continuation of Confidential Paper No. 9482.]

218

January to March 1909.

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[In continuation of Confidential Paper No. 9482.]

January to March 1909.

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Further Correspondence respecting the Affairs of Asiatic Turkey and Arabia.

[In continuation of Confidential Paper No. 9482.]

[327]

No. 1.

Sir G. Lowther to Sir Edward Grey.—(*Received January* 4, 1909.)

(No. 890.)

Sir,

Pera, December 27, 1908.

WITH reference to previous correspondence on Armenian affairs, I have the honour to report that, judging by the information supplied by His Majesty's Consuls, the local authorities seem to be doing their best with the means at their disposal to ameliorate the general condition of things. There is, of course, no substantial positive improvement, but the old abuses complained of by the Armenians, which were largely instigated by the authorities, appear to have ceased in great part. His Majesty's Vice-Consul at Van has sent for a number of the Kurdish Chiefs in that vilayet and warned them to abstain from lawless acts against their Armenian fellow-countrymen, while attempts have in some cases been made to restore to Armenians villages and property taken from them at the time of the massacres. The Kurds, however, though willing to moderate their violence towards the Armenians, are reluctant to disgorge the results of their past depredations, and the local authorities, though apparently willing, are not yet strong enough to enforce restitution. Some of the extreme Tashnakists at Van were inclined to insist on the complete restoration to Armenians of all property seized from them in the past. His Majesty's Vice-Consul has, however, used his influence to dissuade them from a course which is not only impossible of realization, but might provoke the Kurds to serious acts of violence.

On the representations of the Armenian Patriarchate here it has been decided by the Porte to dispatch a special reform Commission to deal with this delicate matter. The Commission is further to be invested with powers to dismiss dishonest or incompetent officials, to see that the Hamidié officers are not to hold civil employ, to take steps to prevent the Chiefs of the tribal Kurds from exacting from Armenians contributions, &c., apart from the taxes due by them to the State, and to relieve the famine-stricken districts, if necessary, by the remission of arrears of taxes. The members of this Commission have been appointed by the Porte, but have resigned, partly on the pretext that, during the long and severe winter in those regions, where for five months the country is under snow, and where even the main routes are barely kept open, it would be impossible for them to do any serious work, but in great part, I suspect, because they are convinced of the hopelessness of attempting to remedy in as short a time as is expected the accumulated evils of the past thirty years of atrocious misgovernment in the provinces inhabited by Kurds and Armenians. The Armenian Patriarch has, I learn, been insisting on the immediate departure of the Commission, arguing that, even if it only gets as far as Erzeroum, its rumoured approach will exercise a tranquillizing effect in the southern regions like Bitlis, Van, &c., and that when it reaches Erzeroum it will be able to see to, or report on, the urgent steps necessary for the relief of the areas suffering from famine.

This latter question seems for the moment much more important than any administrative reorganization. Reports from various quarters show the existence in

various districts, as the result of bad harvests and past maladministration, of scarcity bordering on famine, and this despite the incredibly low standard of living. In many places the people, amid the rigours of winter, are practically without bread, clothing, or fuel, and are reduced to eating roots or the fodder of their animals. The districts most affected are Khinus, Mush, and other portions of the Bitlis Vilayet, Hajin and Zeitun in the north of the Vilayets of Aleppo and Adana, and also regions round Cæsarea. Europeans who have visited some of these places describe the scenes as heart-rending. The Sublime Porte has ordered 150,000*l.* to be put at the disposal of the Agricultural Bank for the purchase of seed for the spring, but this will not help the starving inhabitants to tide over the winter. The American missionaries have addressed appeals to charitable friends and Societies in Europe, and the Armenian Committees, both in Constantinople and other parts of the Empire, are raising subscriptions, but their means are quite inadequate to enable them to cope with the situation. The object is to relieve the sufferers, who have just been freed by the introduction of a liberal régime, from the grinding oppression of the old order of things, and to help them through the winter, after which it is expected that, through their natural habits of sobriety, thrift, and industry, they will become self-supporting and be in a position to enjoy the benefits of the new and more hopeful conditions in Turkey.

You may, Sir, think it well to make known the contents of the latter half of this despatch to some members of the "Friends of Armenia" or other such charitable Societies.

The bulk of the famine-stricken population is Armenian, but many Mahommedan villages are affected, and any money subscribed would of course be devoted to the relief of the sufferers without distinction of race or creed. Under the old régime a certain hesitation was at times felt in attempting relief, as the obstruction and rapacity of local officials prevented it in great part from reaching the victims. Under the new conditions this apprehension need not be entertained, though it might be better that subscriptions should be sent through non-official channels such as the missionaries.

I have, &c.
(Signed) GERARD LOWTHER.

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[331] No. 2.

Sir G. Lowther to Sir Edward Grey.—(Received January 4, 1909.)

(No. 895.)
Sir, *Pera, December 29, 1908.*

WITH reference to my despatch No. 752 of the 6th ultimo, I have the honour to transmit herewith copy of a despatch from His Majesty's Consul-General at Beirout forwarding translation of a telegram addressed to the Governor-General of the Lebanon by the Minister of the Interior stating that the Lebanon has no right to elaborate laws; that it is subject to the general laws of the Empire which have no connection with the privileges, and it must therefore have deputies to assist in the elaboration of those laws.

The Minister of the Interior informs me, however, that as the Constitution is applicable to the "Privileged Provinces" as well as the other vilayets, the Lebanon being a "Privileged Province" can send Deputies to Parliament, but that the Porte has no intention of altering the privileged character of the Lebanon without the consent of the Powers concerned.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure 1 in No. 2.

Consul-General Cumberbatch to Sir G. Lowther.

(No. 90.)
Sir, *Beirout, December 15, 1908.*

WITH reference to my despatch No. 77 of the 30th October, and to previous correspondence on the subject of Parliamentary representation in the Lebanon, I have the honour to forward herewith translation of a telegram, dated the 10th instant, addressed to the Governor-General of Mount Lebanon by the Minister of the Interior, in which his Excellency communicates a decision of the Council of State as to the

right of the inhabitants of Mount Lebanon to send Deputies to the Ottoman Parliament.

This telegram has been communicated by the Governor-General to the Kaïmakams and published in the local papers yesterday.

Your Excellency will notice that, though allusion is made to the "Privileges" of the Lebanon, it is not clearly stated whether these will be affected by the representation of this province in the Ottoman Parliament.

I have, &c.
(Signed) H. A. CUMBERBATCH.

Inclosure 2 in No. 2.

The Minister of the Interior to Governor-General of Mount Lebanon.

(Translation.)
(Telegraphic.) *November 27, 1324 (December 10, 1908).*

THE elaboration of laws is one of the capital attributions of the Parliament, but with regard to the competence which the Lebanon has in virtue of its "règlement," it is a mere privilege which concerns the administration. The Lebanon has no right to elaborate laws; it is subject to the general laws of the Empire, which have no connection with the said privileges, and it must therefore take part in the elaboration of the said laws.

And whereas this mode of procedure is beneficial to the Lebanese, the Council of State have found it necessary that the local authorities there should take the necessary measures for the election of Deputies. The Lebanon being an integral part of the Imperial dominions and provinces, the inhabitants having the right as well as other Ottoman subjects to send Deputies to Parliament, those amongst the said inhabitants who might wish to participate in the said Parliament can benefit by that legal right.

I have therefore, in compliance with the Grand Vizier's order, which is based on the decision of the Council of State, to communicate to you the above.

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[334] No. 3.

Sir G. Lowther to Sir Edward Grey.—(Received January 4, 1909.)

(No. 898.)
Sir, *Pera, December 29, 1908.*

WITH reference to my despatch No. 650 of the 9th October, in which I reported that I had instructed Mr. Safrastian to use his influence with a view to putting a stop to the extortions practised by the Kurdish tithe farmers in the Sanjak of Bitlis, I have the honour to transmit herewith copy of a despatch from Mr. Safrastian stating that his representations have met with a certain measure of success.

Mr. Safrastian states that Arif, who was guilty of the murder of an Armenian in September last, has been brought to justice, and the tax-collector, Ali Effendi, who was responsible for ill-treating some of the villagers, has been dismissed in consequence of Mr. Safrastian's representations.

Mr. Shipley states that the above action is all the more satisfactory as it counteracts the impression existing among the Armenians that old abuses will be allowed to continue in spite of the Constitution.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure 1 in No. 3.

Consul Shipley to Sir G. Lowther.

(No. 75.)
Sir, *Erzeroum, December 14, 1908.*

I HAVE the honour to report to your Excellency that I duly communicated to Mr. Safrastian the substance of your Excellency's despatch of the 3rd October last on the subject of the extortions practised by the Kurdish tithe farmers in the Sanjak of Bitlis, suggesting to him at the same time that, in bringing the matter to the

notice of the Governor-General of that vilayet, he might point out to the latter in a friendly way that interest was being taken in the question at Constantinople, reporting to me subsequently what steps, if any, should have been taken by his Excellency to put a stop to the abuses complained of.

I have now the honour to transmit to your Excellency herewith the copies of a despatch which I have received from Mr. Safrastian, by which it will be seen that the representations made by the latter have met with a certain measure of success, inasmuch as Arif, the person guilty of the murder of the Dabavank Armenian, under circumstances reported in his despatch of the 8th September last, has been brought to justice, while the tax-collector Ali Effendi, whose gross ill-treatment of the Armenian villagers of Zigag in Akhlat was also laid before the Governor-General by Mr. Safrastian, has been dismissed from office. The action taken by his Excellency in the above cases is, I venture to submit, the more satisfactory as it can hardly fail to counteract to some extent the impression which, according to Mr. Safrastian's previous despatches, appears to be prevalent among the Armenians of his district that, notwithstanding the Constitution, the old abuses will be allowed to go on unchecked.

I have, &c.
(Signed) H. S. SHIPLEY

Inclosure 2 in No. 3.

Mr. Safrastian to Consul Shipley.

Sir, *Bitlis, November 23, 1908.*

WITH reference to your despatch of the 23rd October last, informing me of the desire of His Majesty's Ambassador to try to put a stop to the extortions practised by Kurdish tithe farmers in this district, I have the honour to report I brought the matter to the notice of Reshad Pasha, the new Governor-General here, laying special stress on the case of the murder of the Dabavank Armenian, as referred to in my despatch of the 8th September last.

After some time of study, his Excellency informed me that the Kurdish tithe farmers had misbehaved indeed, and that he would cause the case of the above-mentioned murder to be hurried. Since the steps which I have taken, the witnesses have been listened to, and, although the judicial proceedings are not yet finished, there is every hope to believe that the murderer Arif will be condemned to fifteen years' imprisonment.

A month ago the Armenians of Zigag, village in Akhlat, complained to me that one certain Ali Effendi, the tax-collector of their village, had ill-treated the villagers, beating men and women, cursing their religion and the Constitution, &c., when even the villagers had enough money in their hands to pay their taxes. I informed the Vali of this outrageous misconduct of the tax-collector, who was called here by the former and discharged of office. The Vali further stated that he would cause the tax-collector Ali to be punished, submitting his case to the Courts. Such partial prosecutions will probably have more or less effect on the mind of Kurdish population. With the end of the harvest season end also such misdeeds of Kurdish tithe farmers.

It is, however, to be hoped that the approaching meeting of the Turkish Parliament will attend to the present defective system of farming of tithes, which has been one of the crying abuses of the old Administration, replacing it by a reasonable and just method of assessment of tithes.

I have, &c.
(Signed) A. S. SAFRASTIAN.

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[975] No. 4.

India Office to Foreign Office.—(Received January 8.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Viscount Morley, forwards

herewith, for the information of the Secretary of State, copy of inclosures in a letter from the Foreign Secretary to the Government of India dated the 26th November, relative to the navigation of the Tigris above Bagdad by British vessels.

India Office, January 7, 1909.

Inclosure 1 in No. 4.

Lieutenant-Colonel Ramsay to Government of India.

(Confidential.)
Sir, *Bagdad, November 2, 1908.*

I HAVE the honour to submit, for the information of the Government of India, a copy of my despatch dated the 2nd November, 1908, which I have addressed to His Britannic Majesty's Ambassador at Constantinople.

2. The last reference to this subject is your letter dated the 23rd April, 1908.

I have, &c.
(Signed) J. RAMSAY, *Lieutenant-Colonel, Political Resident in Turkish Arabia, and His Britannic Majesty's Consul-General, Bagdad.*

Inclosure 2 in No. 4.

Lieutenant-Colonel Ramsay to Sir G. Lowther.

(Confidential.)
Sir, *Bagdad, November 2, 1908.*

I HAVE the honour to invite a reference to Mr. Barclay's despatch, dated the 17th March, 1908, regarding "the right of British vessels to navigate the Tigris above Bagdad," and instructing me that there is no objection to my taking a favourable opportunity "of navigating the Tigris above Bagdad."

2. It may perhaps save misunderstandings and confusion in the future if I venture to point out that Mr. Barclay's despatch appears to in one way claim more than was justified by my Report, and in another way less than might have been claimed.

A reference to my despatch No. 115 of the 16th October, 1907, will show that it dealt entirely with the movements of armed vessels, the property of His Majesty's Government. Consequently, it seems to me that there is nothing in my despatch to cover the claim that "British vessels," without further qualification, are entitled to navigate the Tigris above Bagdad. I am pointing this out as at some future date Mr. Barclay's despatch may be quoted as authorizing Lynch's steamers to go above Bagdad. This is the direction in which I think that the wording of Mr. Barclay's despatch covers perhaps more than was intended.

I think that a reference to my despatch of the 16th October will also show that the arguments in favour, of claiming the right to take our armed vessels above Bagdad on the Tigris also apply to taking them where we please on the rivers of Mesopotamia. Particular stress was laid on our right to go above Bagdad on the Tigris, because that was the right that had been specially challenged by the Turkish Government.

3. His Highness the Mir of Khairpur, a native Chief of India, is now on his way to Bagdad. He has chartered the steam-ship "Blosse Lynch" for his journey, and he is anxious that this vessel should take him to Kadhimain, which is about 5 miles above Bagdad by river. On the 31st October I sent my dragoman to see if this could be arranged, and he happened to get to the Serai when the Administrative Consul was sitting. The vilayet is at present in temporary charge of the Commander of the VIth Army Corps, who does not pretend to know anything of political matters, but the Muawan (deputy or assistant) of the Vali at once said that the "Blosse Lynch" could not be allowed above Bagdad unless I would give a written guarantee that it should not be considered a precedent. If necessary I will submit a separate report about this matter. For the purpose of this depatch the interesting fact is that the Muawan spontaneously suggested as a way out of the difficulty that I should

take the Mir from Bagdad to Kadhimain in the "Comet." This is interesting as showing that the local authorities appear to think that I have the unquestioned right to go above Bagdad in the "Comet."

I have, &c.

(Signed) J. RAMSAY, *Lieutenant-Colonel, Political Resident in Turkish Arabia, and His Britannic Majesty's Consul-General, Bagdad.*

Inclosure 3 in No. 4.

Lieutenant-Colonel Ramsay to Government of India.

Sir, *Bagdad, November* 2, 1908.

I HAVE the honour to submit, for the information of the Government of India, a copy of my despatch dated the 2nd November, 1908, which I have addressed to His Majesty's Ambassador at Constantinople.

I have, &c.

(Signed) J. RAMSAY, *Lieutenant-Colonel, Political Resident in Turkish Arabia, and His Britannic Majesty's Consul-General, Bagdad.*

Inclosure 4 in No. 4.

Lieutenant-Colonel Ramsay to Sir G. Lowther.

Sir, *Bagdad, November* 2, 1908.

I HAVE the honour to inform your Excellency that His Highness the Mir of Kharipur, a native Chief of India, wished to take the "Blosse Lynch," which he had chartered from Messrs. Lynch and Co., up to Khadimain, which is on the Tigris, about 5 miles from Bagdad. The local authorities, while anxious to give the Chief every facility, hesitated to allow one of Lynch's steamers to go above Bagdad, unless I expressly stated that it would not be quoted as a precedent. I have the honour to inclose, for your Excellency's information, a copy of my letter, and a translation of his Excellency the Vali's reply. It will be seen that we have arrived at a satisfactory settlement without raising any question as to Lynch's rights.

I have, &c.

(Signed) J. RAMSAY, *Lieutenant-Colonel, Political Resident in Turkish Arabia, and His Britannic Majesty's Consul-General, Bagdad.*

Inclosure 5 in No. 4.

Lieutenant-Colonel Ramsay to Vali of Bagdad.

Sir, *Bagdad, November* 1, 1908.

I HAVE the honour to inform your Excellency that his Highness the Mir of Khairpur, in Sindh, has hired the whole of the passenger accommodation on the "Blosse Lynch," and is coming up with a large party, including ladies. His Highness is about 80 years of age, and he is coming to this country for the purpose of making a pilgrimage to the sacred places.

2. His Highness is anxious to go directly to Kadhimain in this steamer, but I understand from my native agent that the Turkish local authorities think it their duty to object to this, on the ground that they do not admit the right of Lynch's steamers to go above Bagdad.

When any formal claim is made on behalf of Lynch's steamers it will no doubt require discussion between the Sublime Porte and the Embassy. At present I suggest that, without raising questions which cannot be decided before his Highness arrives, we should avoid all difficulty and at the same time do what is possible to meet the wishes of a distinguished traveller who has been recommended to us by our respective Governments.

I shall be much obliged if your Excellency will issue orders that facilities are to

be given to his Highness to take the "Blosse Lynch" up to Kadhimain, and let me know that these orders have been issued. In this way the "Blosse Lynch" will be treated for occasion as a private vessel of the Mir, who has hired it, and so all questions regarding Lynch's vessels will be avoided.

3. I take this opportunity of introducing to your Excellency Mr. Ghulam Nabi Khan, who has come ahead of his Highness to make arrangements. I have received a letter from his Highness' representative asking that thirty sowars may be placed at his Highness' disposal. I do not know how far your Excellency can meet his Highness' wishes in this matter, but I have no doubt that adequate arrangements will be made to protect his Highness and his suite while they are in Turkish Arabia.

Inclosure 6 in No. 4.

Vali of Bagdad to Lieutenant-Colonel Ramsay.

(Translation.) *Bagdad, November* 1, 1908.

IN reply to your letter dated the 1st November, 1908, I have the honour to state that there is no objection for the steamers with the Mir of Khairpur and his suite on board to go up to Kadhimain, and that a sufficient number of soldiers have been prepared to escort his Highness.

Inclosure 7 in No. 4.

Lieutenant-Colonel Ramsay to Government of India.

(Confidential.)

Sir, *Bagdad, November* 2, 1908.

I HAVE the honour to submit, for the information of the Government of India, a copy of my despatch dated the 2nd November, 1908, which I have addressed to His Britannic Majesty's Ambassador at Constantinople.

I have, &c.

(Signed) J. RAMSAY, *Lieutenant-Colonel, Political Resident in Turkish Arabia, and His Britannic Majesty's Consul-General, Bagdad.*

Inclosure 8 in No. 4.

Lieutenant-Colonel Ramsay to Sir G. Lowther.

(Confidential.)

Sir, *Bagdad, November* 2, 1908.

I HAVE the honour to state, that in my opinion, the approaching visit of Sir William Willcocks, to Mesopotamia, makes it desirable that we should consider the question of the future navigation of the rivers of this country for commercial purposes. With the existing facilities freights often rule ruinously high, more steamers would be a public benefit, and if there is to be irrigation on a large scale they will be a necessity unless a railway is constructed. For the moment the most important questions appear to me to be:—

(1.) What concessions have actually been granted to the Senneyeh steamers?

(2.) Is it the intention of the present Government to maintain these concessions?

(3.) Is it within the region of practical politics to hope for any new concessions for vessels flying the British flag on Turkish inland waters?

(4.) Is it within the region of practical politics to raise the question of the right of British vessels, whether owned by Lynch or other British subjects, to increase the number of British vessels on the rivers of Mesopotamia, or to use existing vessels on the rivers, except between Bagdad and Bussorah?

About (1) and (2) I am not in a position to express an opinion, but I should be grateful for any information that is available. I imagine that the answer to (3) and (4) is in the negative.

2. If I am right in the opinions expressed above, I have the honour to inquire whether it would be considered desirable, and possible, to come to some arrangement

with the Turkish Government by which British subjects could run steamers flying the Turkish flag, on the condition that the ships should be considered Turkish soil, and, consequently, that the owners should be considered Turkish subjects in all matters that concerned them as owners of the ships. This would only be extending to ships intended for exclusive use in the inland waters of Turkey a principle that already exists in cases in which British subjects own immovable property in Turkey.

3. I presume that other nations would be entitled to equality of treatment, but it need not be given until it is claimed, and it would be a great advantage to us if we could get permission first and actually get some steamers on the river before our foreign rivals had given the matter their attention.

I have, &c.

(Signed) J. RAMSAY, *Lieutenant-Colonel, Political Resident in Turkish Arabia, and His Britannic Majesty's Consul-General, Bagdad.*

[1229] No. 5.

Sir G. Lowther to Sir Edward Grey.—(*Received January* 11, 1909.)

(No. 904.)

Sir, *Constantinople, December* 31, 1908.

I HAVE the honour to report that I have received a despatch from His Majesty's Consul at Erzeroum transmitting a despatch from the Acting British Vice-Consul at Bitlis reporting on the general situation in the Vilayet of Bitlis and on the state of the country between Bitlis and Erzeroum, to which latter place Mr. Safrastian proceeded on his way here on leave of absence, rendered necessary by the state of his health.

Mr. Safrastian does not give a very favourable account of the situation. During the months of August and September peace and tranquillity prevailed almost all over the vilayet, and hundreds of protests were made by Armenians against their Kurdish oppressors in the hope of getting back their land which had been wrongfully seized. Owing, however, to the indifference of the provincial Government, the Kurds recommenced their oppression, and in the course of the last few months five Armenians have been killed in Khisan, two in Bulanik, one in Akhlat, one in Melazgerd, and two in Mush. The good effect of the Proclamation of the Constitution has thus, in Mr. Safrastian's opinion, been somewhat marred by this indifference of the local authorities to the continued outrages by the Kurds. He also states that the opinion is gaining ground, even among Mussulmans, that without direct European intervention the introduction of much-needed reforms is becoming impossible.

In his report of his journey to Erzeroum, however, Mr. Safrastian gives a much more favourable account of the state of the country. He states that the cases of oppression are of an isolated nature, and that Armenians of Mush, Bulanik, and Akhlet are enjoying a much greater measure of security for their lives and property than was the case six months ago.

Mr. Shipley states that the fact that Mr. Safrastian should be able to report improvement in Bulanik and Akhlat, the Armenian inhabitants of which districts have always been peculiarly exposed to Kurkish oppression, is a most encouraging feature in the situation.

The difficulties of forming a really trustworthy opinion of the condition of affairs in districts such as those dealt with in this despatch are from the above very apparent, but I trust that Mr. Safrastian's latest impressions more truly represent the actual facts than his first ideas.

I have, &c.

(Signed) GERARD LOWTHER.

[1231] No. 6.

Sir G. Lowther to Sir Edward Grey.—(*Received January* 11.)

(No. 1.)

Sir, *Pera, January* 2, 1909.

WITH reference to my despatch No. 895 of the 29th December, 1908, I have the honour to transmit herewith copy of a further despatch from His Majesty's Consul-

General at Beirout reporting on the failure of the telegram from the Minister of the Interior to produce any change in the attitude of abstention from representation in the Ottoman Parliament adopted by the inhabitants of the Lebanon.

I have, &c.

(Signed) GERARD LOWTHER.

Inclosure in No. 6.

Consul-General Cumberbatch to Sir G. Lowther.

(No. 93.)

Sir, *Beirout, December* 24, 1909.

WITH reference to my despatch No. 90 of the 15th instant, inclosing translation of a telegram from the Minister of the Interior on the subject of the right of the inhabitants of Mount Lebanon to elect Deputies to the Ottoman Parliament, I have the honour to report that beyond causing a certain amount of ferment in the Lebanon and in the town of Beirout where most of the Lebanon are elected, and slightly raising the hopes of the very few interested champions of Parliamentary representation, the publication of this decision of the Council of State has had no effect in altering the popular wish to abstain from electing representatives.

Partisans of the Emir Mustapha Arslan, who is generally credited with having provoked this expression of opinion on the part of the Government—which he, however, strennously denies—reckoned upon the docile compliance by the other Druse Chiefs to their wishes, but they have failed to bring them over to their views, and, as they know they cannot by themselves command the Druse vote, they have recognized the futility of trying to force their views beyond the small circle of their family and dependants. The Kaimakam of the Shouf, Mir Shekib Arslan, who is the keenest and, owing to his high official position, most powerful advocate of his uncle's principles, has abstained from pressing on the preparations for election, but, like all the other Kaimakams, he will have to report to the Governor-General that none of the inhabitants have shown a desire to take advantage of the right accorded to them by Government.

It is also expected that the Administrative Council, to which Body many protests against the tenour of Hilmi Pasha's telegram have been addressed, will pass a Resolution confirming its former declaration as to the unmistakable assertion on the part of the inhabitants of their decision to abstain from representation in the Ottoman Parliament.

I have, &c.

(Signed) H. A. CUMBERBATCH.

[1471] No. 7.

Sir G. Lowther to Sir Edward Grey.—(*Received January* 11.)

(No. 8.)

(Telegraphic.) P. *Constantinople, January* 11, 1909.

MOSUL disturbances.

The fighting about which you inquire in your telegram No. 10 of the 8th instant had its origin in a dispute about a woman—a Moslem—which occurred between the followers of Sheikh Said of Kerkuk and the Mosul troops. The Notables of the latter town disliked the Sheikh, who had acquired considerable influence during the old régime. He and his men were set upon by a mob of Mosulis, and both he and his son, as well as some forty other persons, were killed. No attack was made on the foreigners and Christians. Reinforcements are being sent to Mosul to maintain order.

[1545] No. 8.

India Office to Foreign Office.—(Received January 12.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Viscount Morley, forwards herewith, for the information of the Secretary of State, copy of correspondence received from the Government of India relative to affairs at Bagdad.

India Office, January 11, 1909.

Inclosure in No. 8.

Lieutenant-Colonel Ramsay to Government of India.

Bagdad, November 2, 1908.

Sir,

IN continuation of my letter dated the 25th October last, I have the honour to report that the excitement in Bagdad has cooled down, and I see no immediate prospect of further disturbances.

It is said that Muhammad Pasha, the Acting Vali, advised the Nakib and some of the more active members of the reactionary party, in polite but unmistakable terms, that he did not want to have further disturbances, and that they would be likely to suffer if there was any trouble. It is said that in consequence of this the Nakib preached in the Sheikh Mosque on the iniquity of attacking people living under Mahommedan protection. It does not matter whether this story is true, it is generally believed.

The fact is that there are no dangerously burning questions in Bagdad which require careful handling, what has been wanting has been a determination on the part of the Governor to be respected and to keep public order.

I have, &c.

(Signed) J. RAMSAY, *Lieutenant-Colonel, Political Resident in Turkish Arabia, and His Britannic Majesty's Consul-General, Bagdad.*

[1623] No. 9.

Tripoli–Homs Anglo-Syrian Railway and Tripoli Harbour Improvement Company to Foreign Office.—(Received January 12.)

8, Foulis Terrace, Onslow Gardens, South Kensington, January 12, 1909.

Sir,

WITH reference to Foreign Office letter of the 25th September, 1908, *et sequitor*, I now have the honour to submit a copy of the Agreement concluded between the British and Syrian group, respecting the Tripoli–Homs Railway and Harbour Improvement Company. As you perceive, the document is witnessed and stamped by His Majesty's Vice-Consul at Tripoli.

2. It is desired to proceed with the necessary steps for securing the Concession from the Ottoman Government as soon as possible.

3. As British Agent, I shall be grateful if you would favour me with Sir G. Barclay's views upon the correspondence which I understand has already been referred to him.

4. I should also be glad to know if I may count upon the advice of His Majesty's Government, and upon their support in the necessary steps at Constantinople.

5. I again venture to express my conviction that this enterprise, if not secured for a British Company, will assuredly pass under German control.

I have, &c.

(Signed) CHARLES CAMPBELL,
Vice-Admiral (retired).

Inclosure in No. 9

Agreement between Sir C. Campbell and Messrs. Emile Erlanger and Co., London, of the first part, and Messrs. Mustafa Ezzedine and Co., Tripoli, Syria, of the second part.

SIR CHARLES CAMPBELL to be the British Representative and Agent, with power to act for the group.

2. Messrs. Emile Erlanger and Co., British bankers and financiers, of 20, Bishopsgate Within, City of London, to be the bankers and financiers.

3. Messrs. Pauling and Co. to be the head contractors for the line.

4. Mustafa Ezzedine and Co. to be the local sub-contractor, and to act locally jointly with the British contractor and agents.

5. The moment that the preliminaries can be arranged, an Anglo-Syrian Company to be formed with a capital of from 350,000*l.* to 400,000*l.* The proportions in Syria and Great Britain to be mutually agreed upon.

6. The name of this Company to be "The Anglo-Syrian Tripoli–Homs Railway and Tripoli Harbour Improvement Company."

7. Messrs. Emile Erlanger and Co. to send out an engineer and accountant to survey the line and conclude arrangements and agreement with Messrs. Ezzedine and Co. on the spot, if Messrs. Ezzedine agree to the general terms of this Agreement. Sir Charles Campbell to obtain the Concession from the Turkish Government, assisted by Messrs. Ezzedine as much as possible.

(Signed) EMILE ERLANGER AND Co.
CHARLES CAMPBELL.

London, January 12, 1908.

(Signed) M. EZZEDINE AND Co.

Tripoli, Syria, December 22, 1908.

(Two witnesses' signatures follow.)

I, Ira Harris, Acting Vice-Consul at Tripoli, Syria, do declare that the above is the true and genuine signature of M. Ezzedine, of Tripoli, Syria, signed in my presence. I also certify the foregoing signatures were made at the same time. In witness whereof I have signed my name and affixed the seal of my office this 22nd day of December, in the year of our Lord 1908.

(Signed) DR. IRA HARRIS,
His Britannic Majesty's Acting Vice-Consul.

[Consular stamp.]

[2048] No. 10.

Lieutenant-Colonel Ramsay to Sir Edward Grey.—(Received January* 16, 1909.)

(No. 3. Commercial.)

Bagdad, December 16, 1908.

Sir,

I HAVE the honour to forward, under flying seal, my letter dated the 16th instant, to the Commercial Intelligence Department of the Board of Trade. I am sending it through the Foreign Office because it deals with the dredging of the bar at the mouth of the Shat-ul-Arab, which is no doubt a question that interests the Admiralty.

2. The matter of dredging this bar, when it comes to be seriously discussed, will perhaps raise international questions of some interest. The land on the left of the Shat-ul-Arab is Persian territory, while that on the right is Turkish territory, and the bar may, perhaps, be held to be in the high seas. Inside the bar lie two places which will, after the bar is dredged, become ports for large ocean-going steamers. One of these, Muhammarah, is a Persian port, and the other, Bussorah, is a Turkish port. In these circumstances there may be a difficulty in paying for the cost of dredging by any form of additional port dues. Possibly some arrangement might be come to with the Turkish and Persian Governments, by which we should undertake the dredging in

* Copy sent to the Board of Trade on the 9th February, 1909.

return for dues to be levied by them and paid to us on all vessels entering Bussorah and Muhammarah drawing more than a stipulated amount of water.

3. I venture to submit that the question is one that is worthy of study before it becomes urgent.

I have, &c.

(Signed) J. RAMSAY, *Lieutenant-Colonel, Political Resident in Turkish Arabia, and His Britannic Majesty's Consul-General, Bagdad.*

Inclosure 1 in No. 10.

Lieutenant-Colonel Ramsay to Board of Trade.

Sir, *Bagdad, December* 16, 1908.

A REFERENCE to the correspondence ending with your letter dated the 7th July, 1908, will show that the Dredging Corporation (Limited) asked me to keep them informed of any dredging work that was likely to be carried out in this country.

2. Sir William Willcocks and a number of surveyors are now engaged in making a detailed study of the valleys of the Tigris and Euphrates with a view to the preparation of large irrigation projects. If these projects are ever carried out, there will be urgent need for a port which can be approached by vessels of deep draught. The present port for this country is Bussorah, which could easily be made a magnificent port if it were not for the obstacle caused to navigation by the bar of silt thrown up by the Shat-ul-Arab where it falls into the Persian Gulf. You will doubtless remember much discussion in the press as to the most suitable terminus for the Bagdad Railway; most of this was caused by the knowledge that the bar of the Shat-ul-Arab made Bussorah unsuitable for a terminus.

3. I inclose a sketch and a rough estimate of quantities which has been given to me by Sir William Willcocks, showing what, in his opinion, would have to be done to provide suitable channel across the bar. Sir William Willcocks has not made a detailed study of the subject, and his notes have been drawn up after crossing the bar, and after examining charts and discussing the matter with a captain who knows the bar well. The subject is one which is sure to be seriously discussed in the future, and British firms may like to give their attention to it while there is still leisure.

4. Should any firms wish to work up the case, I can suggest the following sources of information:—

(*a.*) Admiralty charts of the locality.

(*b.*) Officers who have served in His Majesty's ships in the Gulf, and officers of the Indian Marine who have served in the Gulf.

(*c.*) The officers of the following Steamship Companies, who have a regular service to Bussorah:—

(1.) F. Strick and Co. (Limited), 27, Leadenhall Street, E.C.

(2.) The Bucknall Steamship Lines (Limited), 23, Leadenhall Street, E.C.

(3.) The West Hartlepool Steam Navigation Company (Limited), 18 and 19, Great St. Helen's, E.C.

(4.) The British India Steam Navigation Company (Limited), 23, Great Winchester Street, E.C.

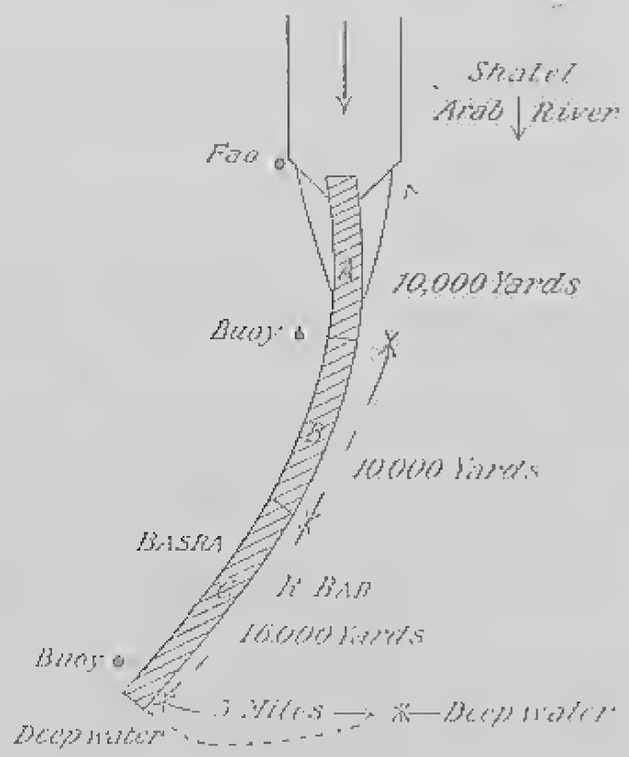
5. Any member of a firm interested in the subject who was on his way to India could easily visit the bar of the Shat-ul-Arab, if he travelled by Aleppo, Bagdad, and Bussorah, instead of by Suez and Aden.

I have, &c.

(Signed) J. RAMSAY, *Lieutenant-Colonel, Political Resident in Turkish Arabia, and His Britannic Majesty's Consul-General, Bagdad.*

Inclosure 2 in No. 10.

Sketch by Sir W. Willcocks respecting the Dredging of the Bar at the Mouth of the Shat-ul-Arab.



(I.)

To give 3 fathoms at extreme low water, 4 fathoms at neap, and 4½ fathoms at spring time:—

A.—0.		
B.—10,000 yds. × 140 yds. wide × 2 yds. deep	= 2,800,000	cubic yds.
C.—16,000 yds. × 140 yds. wide × 3 yds. deep	= 6,720,000	„
Total	9,520,000	„

B to be transported 14 miles.
C „ „ 7 „

(II.)

To give 4 fathoms at extreme low water, 5 fathoms at neap, and 5½ fathoms at spring:—

A.—10,000 yds. × 140 yds. wide × 2 yds. deep	= 2,800,000	cubic yds.
B.—10,000 yds. × 140 yds. wide × 4 yds. deep	= 5,600,000	„
C.—16,000 yds. × 140 yds. wide × 5 yds. deep	= 11,200,000	„
Total	19,600,000	

A to be transported 19 miles.
B „ „ 14 „
C „ „ 7 „

1 mile = 6,000 ft. (nautical mile).

If you could help me to find out at what cost good firms accustomed to the work would do it I should be obliged. Estimate (I) is not expensive, and would enormously improve Bussorah.

Yours sincerely,

(Signed) W. WILLCOCKS.

[2161] No. 11.

Sir G. Barclay to Sir Edward Grey.—(Received January 18, 1909.)

(No. 316.)

Sir, *Tehran, December 19, 1908.*

YOU were so good as to authorize me by your telegram No. 349 to accept, subject to the omission of certain words, an amended note, the text of which had been submitted to me by the Minister for Foreign Affairs, in substitution for the note of the 9th April last, inclosed in Mr. Marling's despatch No. 101 of the 24th April, in which Mushir-ed-Dowleh, the Minister for Foreign Affairs, reaffirmed the Persian claim to the sovereignty of Bahrein. As you will remember, Ala-es-Sultaneh made the proposed substitution conditional on the Grand Vizier's concurrence.

The matter was submitted to the Grand Vizier in Council at Begh-i-Shah on the 14th instant, when his Highness pronounced against the proposed amended note in the strongest terms, declaring that Mushir-ed-Dowleh's note was an admirable one, and that to change it would be giving away the Persian case. British activity in Bahrein, and British pretensions in regard to that island, could not be allowed.

The influence of the Minister for Foreign Affairs is, I fear, not strong enough to modify the refractory attitude of the Grand Vizier, and I therefore do not propose to press further for the amended note. Such a course might, indeed, lead to the fall of the Minister for Foreign Affairs, as I should have to make it clear in any further representations that Ala-es-Sultaneh had himself submitted the proposed text to the Legation before the Grand Vizier had seen it, a fact which Ala-es-Sultaneh fears would have most damaging results for himself.

In the circumstances the wisest course seems to be to return Mushir-ed-Dowleh's objectionable communication. This course commends itself to Ala-es-Sultaneh, who sees in it an escape from the disclosure above indicated, and I have to-day addressed to the Persian Government the note, of which a copy is inclosed herewith.

I have, &c.
(Signed) G. BARCLAY.

Inclosure in No. 11.

Sir G. Barclay to Ala-es-Sultaneh.

Your Highness, *Tehran, December 19, 1908.*

I HAVE the honour to return herewith a communication addressed to Mr. Marling by your Highness' predecessor on the 9th April last. On receipt of this communication Mr. Marling lost no time in pointing out to the Mushir-ed-Dowleh that His Majesty's Legation could not accept it, and his Excellency promised to substitute for it an amended note. During the period since my arrival, I have frequently asked for a fulfilment of this promise, but without any satisfactory result, and it would not be consistent with my duty that I should allow any longer time to pass without recording officially and in writing that the communication which I now return is altogether inadmissible.

I avail, &c.
(Signed) G. BARCLAY.

[2656] No. 12.

Board of Trade to Foreign Office.—(Received January 20.)

Sir, *Board of Trade, January 19, 1909.*

I AM directed by the Board of Trade to acknowledge the receipt of your letter of the 18th December, 1908, with its inclosures, respecting a project for the improvement of Tripoli Harbour, and the construction of a railway from Tripoli to Homs.

The Board are of opinion, so far as they are able to judge from the information contained in the correspondence inclosed in your letter, supplemented by that contained in the Consular report on Beirout and the coast of Syria for 1907, that there is no *primâ facie* reason why such an undertaking as a railway running between Homs and Tripoli should not prove financially successful. In this connection I am to refer

especially to Mr. Skinner's statements with regard to the populations served, the traffic on the existing Tripoli–Homs road, and the lack of certain facilities for dealing with merchandize and passengers at the harbour of Beirout, as well as to the fact that Tripoli lies some 150 miles distant from Alexandretta on the one side, while on the other is the railway from Beirout to Damascus, which passes through difficult country, whereas the projected line would be one of easy gradients.

The estimates of expenditure given in Mr. Skinner's Memorandum (especially in relation to the estimated cost of acquiring the present road from Tripoli to Homs) appear in some respects open to criticism. These matters, however, as well as the desirability of some understanding being come to with the Hedjaz Railway Company (who appear likely to oppose the scheme) and the Bagdad Railway Company (in view of Article 12 of their Concession), will no doubt receive the full consideration of Messrs. Erlanger and Co. before they undertake to finance the scheme.

Having regard to all the circumstances, the Board think that the case is one in which support might be afforded by His Majesty's Embassy at Constantinople to the application for a Concession, provided that a satisfactory guarantee is forthcoming that orders for the plant, &c., necessary for the undertaking will be placed with British firms, and that the capital, or at least a sufficient proportion of the capital, to constitute a controlling interest will be raised in this country.

The Board venture to suggest that it might be of advantage, before instructions in the matter were sent to Sir G. Lowther, if Sir Edward Grey considered the desirability of interviewing some representative of the firm of Messrs. Erlanger and Co. with a view to ascertaining what guarantees on these important matters they are prepared to offer.

I have, &c.
(Signed) GEORGE J. STANLEY.

[2652] No. 13.

Messrs. Ellinger and Co. to Foreign Office.—(Received January 20.)

Sir, 28, *Oxford Street, Manchester, January 18, 1909.*

WE are informed by the Moin-ut-Tujjar that His Majesty's Government have leased the Island of Abu Musa for a term of 100 years, at a rental of 1,000 rupees per annum, and we are instructed by him to ascertain from you whether it would be agreeable to His Majesty's Government to sublet the island, including the mining rights, either to him or to us. Should this not be feasible, we should, as any Concession of the mining rights on this island is of material interest to us, be glad to hear if His Majesty's Government would give us an opportunity of stating our views before granting any Concession to mine oxide of iron on this island to parties other than ourselves.

We are, &c.
(Signed) ELLINGER AND Co.

[3119] No. 14.

Sir G. Lowther to Sir Edward Grey.—(Received January 25.)

(No. 32.)

Sir, *Constantinople, January 16, 1909.*

I HAVE the honour to forward herewith a despatch from His Majesty's Consul-General at Beirout, reporting on the administrative and economic condition of the Vilayet of Beirout and of the Lebanon during the last quarter.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure in No. 14.

Consul-General Cumberbatch to Sir G. Lowther.

(No. 2. Confidential.)

Sir, *Beirout, January 7, 1909.*

SINCE my last General Report on the administrative and economic condition of the Vilayet of Beirout and the Mutessarifik of the Lebanon, forwarded on the 30th June,

1908, No. 42, the events that have happened were of such an unusual and important nature that special and frequent Reports were necessary, and as they contained accounts of the more interesting occurrences in my Consular district evolving out of the radical constitutional changes effected in July the present Report will be practically on the same lines, but in a more general form, in order to establish the further effects of these changes, such as they are, in these two districts.

My last Report on the progress of events at Beirout was No. 67 of the 2nd October.

As regards this vilayet it is admitted on all sides that the personal influence of Nazim Pasha, during his governorship of four months (September–December), has had a great deal to do with the keeping together of the Government machinery which showed signs of getting more and more out of joint through the incapacity of the three or four previous Valis, who followed Khalil Pasha in rapid succession, to cope with the difficult situation created by the sudden removal of the autocratic rule of the Sultan and his palace clique.

Notwithstanding that most of his time had to be taken up with the preparations connected with the election of Deputies to the Ottoman Chamber, to the putting down of strikes and to the prevention of mob violence that showed signs of getting a hold of the rabble of the town under the instigation of a clique of Mussulman enemies of his Excellency, Nazim Pasha succeeded in keeping an effective control over the various Government Departments, and in improving the efficiency of the police and gendarmerie forces, with the result that the administration of the vilayet has proceeded satisfactorily enough, order has been maintained, and the flourishing business in the smuggling of arms, tobacco, and tombac has been put a stop to. A marked tribute to the success of Nazim Pasha in inaugurating the better administration of the district under the altered state of things was paid by the Greek Orthodox Metropolitan Bishop of Beirout who, on the occasion of the celebrations connected with the opening of the Ottoman Parliament, stated in his speech that, whereas formerly he had to call at the konak three or four times a week to intervene on account of some act of injustice done to a member of his community, he had not had any occasion to do so since the 23rd July.

There is still a strong disposition on the part of the populace, especially the Mussulman element, to make public demonstrations on trivial pretexts to coerce the Vali into taking action in any local matter they consider affects their interests.

The latest case took place two days ago on the occasion of the murder committed in the Mussulman quarter of the town. The assassin having managed to escape immediate arrest by fleeing to the Lebanon, where he could not be pursued by the Beirout police owing to the Lebanon being under its independent gendarmerie arrangements, a large crowd of over 300 men assembled before the private town residence of the Mutessarif, Youssouf Pasha, whom they insisted upon seeing, and threatened in a most insolent manner, to "bundle him off" to Constantinople if the fugitive was not caught within a week and handed over to the Beirout authorities. They afterwards went to the official residence of the Vali but their demeanour there was more correct. On the way they passed this Consulate-General and gave vociferous cheers for England and His Majesty's Government. To satisfy their demands the two Governors promised to take the necessary measures for apprehending the culprit and two telegrams exchanged on the subject of co-operation between the police of Beirout and the gendarmerie of the Lebanon in future cases were published in the papers next day.

The revival, with perhaps greater ardour, of the boycott against Austrian goods also helps to keep up a certain amount of unsettledness and it was feared that the ruthless attack, two or three weeks ago, on everything Austrian in the shops would lead to excesses, but, after a raid of one or two days, the boycott was confined to the prohibition of all contact with Austrian steamers and the prevention of landing Austrian goods brought by other steamers including articles conveyed by the Austrian parcels post.

It is satisfactory to note that the military element, though of course always ready to co-operate with the authorities in maintaining order, has retired from active participation in public affairs not purely of a military nature. The greatly reduced local committee of "Union and Progress," too, though no doubt keeping in close touch with Government circles, no longer openly dominates over the Governor-General and other high functionaries. There is a certain secrecy maintained as to the identity of the active members, who are, perhaps, only two or three in number. Communications with them have to be by letters deposited in a box placed at the Turkish Post Office and collected two or three times a day by the postmaster, who transmits them to the committee. In this way the public has easy access to them, whilst kept in the dark as to their identity.

Most of the Governmental Departments have been placed under the superintendance of men of the "Young Turkey" party, or of officials who are not "tarred with the Hamidian brush."

The same is the case with the Courts of Justice, though fewer changes have been found necessary.

Edhem Bey, the successor of Nazim Pasha, whose transfer to Damascus was reported in my despatch No. 93 of the 29th December, is inexperienced in administrative matters, and there is some anxiety as to his ability to manage the somewhat difficult affairs of a vilayet. He is, however, full of the best intentions, and with the assistance of a fairly good staff of subordinates, he ought to be able to carry on successfully the good work commenced by his predecessor under the auspices of the reforming Government of the Capital.

He is showing a good deal of energy in several matters of local import, especially in connection with the Municipality, which, through its corruption and inefficiency in the time of Khalil Pasha, the last of the "old school" Valis, allowed the streets to get into a most execrable state, not to mention the absence of all sanitary measures.

From Tripoli Mr. Acting Vice-Consul Harris reports on the 4th instant as follows:—

"There is nothing special to report in reference to the political condition of this Consular district; everything is quiet, there is much less crime than there was under the old régime, the people who were protected in the past see that money—or a part of the proceeds of crime—will not exempt them from punishment, so they do not wish to continue longer as "the bad men" of the place. There is one thing, however, that is giving the Government some trouble, and that is that many seem to think that if they do not make a strong protest every time that crime is committed, the police will try and protect the criminal in order to get money, so they go in strong numbers to the police station and make a great row and get very excited, but on the whole the prospects are very bright as to the future, that is, if we are to judge from the present."

From Haifa Mr. Acting Vice-Consul Abela has reported nothing special as having occurred to cause trouble, but the Austrian boycott would appear to be maintained in that port as thoroughly as it is at Beirout.

From Sidon and Lattakia things are reported as being quiet, and no untoward incident occurred to mar the celebrations on the 17th December.

Lebanon.

Apart from the effervescence created by the doings in connection with the question of parliamentary representation in the Ottoman Parliament, which have formed the subject of separate reports, the last being No. 93 of the 24th December, the affairs of the Lebanon have gone on smoothly enough during the past six months.

There is no doubt that though the full extent of the new Ottoman Constitution has not been applied to the Lebanon, the spirit of reform introduced into the Empire has spread into this Province. Though the inhabitants have pronounced themselves in an unmistakable way against the acceptation of parliamentary representation which would necessarily entail a change in their present favoured status, they are none the less determined to see an end put to the many disabilities under which they stand, and which are incompatible with the constitutional ideas gaining ground around them.

The first and foremost is the practically despotic power of the Governor regarding the removal of certain functionaries, especially the Kaïmakams and Mudirs, and several demonstrations and deputations, backed by scores of numerously signed petitions, setting forth the various measures of reform they deem necessary, have been received by Youssouf Pasha.

A very powerful society called the "Ligue Libanaise," having its headquarters at Beirout, has been formed, and has somewhat similar aims to those of the Ottoman Committee of Union and Progress in the rest of the Empire, *i.e.*, to keep a watch over the Governor and his Administrative Council, and to call them to order should they commit any act contrary to the "Règlement" or to the welfare of the people in general.

Youssouf Pasha, whose position is not an enviable one owing to his being an official of the old régime, and whose friendly relations with the Palace clique are generally made to account for his successful candidature for his present post, has shown a disposition all along to bow to the inevitable.

His easy compliance with the demands of the deputation of the so-called Liberal party in September in dismissing two or three high officials, and later on his ceding to

outside influence in the question of Parliamentary elections, caused him to lose the prestige attached to his high functions, and he has done nothing since to retrieve the ground then lost.

He has, however, shown a disposition to refrain from the arbitrary dismissal of Kaïmakams and Mudirs which was a weakness of his, and he does not resist the introduction of administrative measures initiated by his Council.

In general the Government of the Lebanon in all its branches has been efficiently carried on notwithstanding the restlessness caused by the excitement over the election question.

The only important occurrence that reflected on the Administration was the escape last autumn of forty-one prisoners out of the central prison at Beiteddin, only six of whom were recaptured.

A certain amount of laxity has also appeared in the discipline of the gendarmerie corps, which is chiefly due to the favouritism which prevails as against efficiency in the gendarmes and their officers, one of whom had to be placed under trial by court-martial in September for an alleged act of insubordination at a somewhat critical moment.

The Commanding Officer of this Corps, Berber Bey Kazim, was dismissed nine months ago, but he has not yet been replaced.

Some considerable excitement was caused last summer in the Koura district owing to the usual irregularities committed in connection with the election of a new Greek Orthodox member of the Administrative Council. An inquiry instigated by the Russian Consul-General led to the dismissal of Elias Bey Hamdoun, the Kaïmakam of Koura and Emir Aouda, a Mudir, for influencing the Sheikhs on behalf of one of the candidates. Documentary proofs of bribery by this candidate were also brought forward and placed in the hands of the Public Prosecutor. The effect of the campaign against these corrupt practices led by the Russian Consul-General, whose position permits of his intervening in matters concerning the Greek Orthodox element which predominates in the Koura district, will, it is hoped, secure more independent freedom in the election, which, after a few weeks' postponement, will soon take place.

It was the goings on at this election, added to past experience, that prompted Prince Gargarine, M. Fouques Dupare, and myself to draw up the proposals regarding such elections, and to submit them last month to our respective Embassies for approval, after procuring the adhesion of our colleagues of Germany, Austria, and Italy. Having received your Excellency's approval and that of the French and Russian Ambassadors, we are only waiting for the Greek holidays to pass in order to proceed in the matter.

The usual meritorious activity in road mending has been noticeable this autumn and the complaint against the judicial departments have been few and far between.

Owing to an understanding between my French and Russian colleagues and myself to refrain as much as circumstances permit from interfering in the nomination of officials, which custom formerly caused a good deal of personal friction between the three Consulates-General, as well as embarrassment to the Governor, who is now allowed to use his own discretion in such matters, the local agitation that prevailed in past times over the filling of each vacancy has practically ceased. The everlasting "struggle for places" still goes on but the Consuls-General no longer rival each other in championing the respective candidates for office. Occasionally our interference is called for by circumstances but in that case we usually act in concert in any representations we may make to the Governor-General, the French Consul taking the initiative if Maronitis are concerned, the Russian in the case of Greek Orthodox, and myself when it relates to Druses. This friendly understanding also obtains, I am glad to say, in all questions of a general interest to the Lebanon, and has, I believe, worked advantageously.

I have, &c.
(Signed) H. A. CUMBERBATCH.

[3123] No. 15.

Sir G. Lowther to Sir Edward Grey.—(Received January 25.)

(No. 36.)

Sir,

Pera, January 18, 1909.

I HAVE recently received an interesting Report from His Majesty's Vice-Consul at Van on the situation of the Armenians in that province.

Captain Dickson reports that the grant of the Constitution has greatly ameliorated their position, and thus the attitude of the well-known revolutionary Tashnak Society has necessarily altered. This Society exercises its influence almost more in Russian

than in Turkish territory, and the restoration by the Russian Government to the Church of the Church lands is attributed to their activity. They are perhaps more opposed to the Russian Government than to the Turkish, for they find the more civilized and therefore further reaching methods of the former Act as a much more potent factor in breaking up the Armenian community and in destroying their national sentiment than do the violent and cruel methods of the old Turkish régime.

At the time when the leaders of the Young Turk movement were still in exile, endeavouring to form every kind of combination through which to overthrow the misrule of the Palace, the chief of the Armenian revolutionaries imbibed the hope that, in return for any assistance they might render in attaining this end, they would obtain such a measure of decentralization as would go far to re-establish one or two purely Armenian provinces, but, as the regenerated Government is aiming at the establishment of a united Ottoman nationality without distinction of race or religion, their disappointment is great.

Captain Dickson reports that the aims of the Tashnák Society are preposterously ambitious, and that they hope for the formation of an Armenian Republic, formed out of portions of Turkish, Russian, and Persian provinces, from which the non-Armenian elements will gradually be excluded, while he states that the clergy are exhorting their flocks to marry young and to beget large families so as to swamp these other elements; that they are endeavouring to get all disputes referred to themselves for arbitration and not to the Turkish Courts; that they are still levying money contributions on their fellow-Nationalists; and that they are discouraging foreign Missions as injurious to the maintenance of the national spirit.

I have the honour to forward a copy of the printed programme of the Society which Captain Dickson has sent me, which in the main substantiates his statements.* You will observe that it embodies in a crude form the most extreme of the socialistic tendencies of Western Europe.

It appears, however, that these extreme views are only propagated by the revolutionaries close to the Russian frontier. I learn that although negotiations between Delegates of the Committee of Union and Progress with the Armenians of Bitlis with regard to future measures to be adopted in Eastern Anatolia have been suddenly broken off, yet the possibility of an understanding being eventually arrived at is by no means excluded, and that the leading Armenians of the Bitlis district were gradually coming round to the view (which, as you are aware, is very much that of the Patriarch, Mgr. Ismirlian) that it will be to their best interests to work together with the Young Turk party, and, while naturally insisting on adequate protection being afforded them for their lives and property, not to embarrass the authorities by pressing extravagant demands.

His Majesty's Consul at Erzeroum states that he has every reason to believe that the Tashnakists in that town are strongly urging their compatriots to conduct themselves on these lines.

From Kharput I learn that there is a considerable amount of unrest among the people; Constantinople is far off, and the results of the change of régime are so far intangible. The previous strong supervision of the Government has disappeared, and every one is now free to do practically as he pleases. The Turks of the district are increasingly jealous of the liberty enjoyed by the Armenians, and increasingly suspicious of the local branch of the Committee of Union and Progress, and have formed a rival "Committee of Islamism." This spirit is akin to that which found expression in the Parliament the other day when in discussing the measures to be taken for the relief of sufferers by the bad harvest in Asia Minor, to which I referred in my despatch No. 890 of the 27th ultimo, when a Deputy rose and said that the Government were to blame on this, for they did not make the people respect the command to pray five times a-day.

In the Adana Vilayet a few murders of Armenians are reported as having taken place after Bairam, but on the whole things are quiet. A Hodja in the town of Hajin preached a sermon recommending the massacre of Armenians, but the authorities took prompt action and put him into prison.

It is unfortunate that the dispatch of the Government Commission to Anatolia was delayed owing to the causes I have had the honour to report, for it must now wait until the return of spring renders the roads fit for travelling.

I have, &c.
(Signed) GERARD LOWTHER.

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* Not printed.

[3125] No. 16.

Sir G. Lowther to Sir Edward Grey.—(Received January 25.)

(No. 38.)

Sir, *Constantinople, January* 19, 1909.

WITH reference to Sir N. O'Conor's despatch No. 714 of the 26th November, 1907, and to your despatch No. 93 of the 10th March, 1908, I have the honour to forward herewith a despatch from His Majesty's Consul-General at Bagdad on the subject of the right of British Government vessels to navigate the Upper Tigris.

I have, &c.

(Signed) GERARD LOWTHER.

Inclosure in No. 16.

Consul-General Ramsay to Sir G. Lowther.

(No. 134.)

Sir, *Bagdad, December* 15, 1908.

IN continuation of my despatch No. 112, dated the 2nd November, I have the honour to report, for your information, that on the 6th December the "Comet" went on the Tigris to a place called Talibiya, about six steaming hours above Bagdad.

2. The vilayet authorities wished to have Sir William Willcocks' opinion on the best method of mending some breaches in the river bank, and the "Comet" was used as the most convenient means of conveyance. The party on board consisted of the Vali, the Nakib, the Nazir of the Auqaf Department, and Isa Effendi Jamilzada, in addition to Sir William Willcocks, some of his engineers, and myself. It did not seem to occur to any one that there was any reason to question the right of the "Comet" to go above Bagdad.

I have, &c.

(Signed) J. RAMSAY, *Lieutenant-Colonel, Political Resident in Turkish Arabia, and His Britannic Majesty's Consul-General, Bagdad.*

[3126] No. 17.

Sir G. Lowther to Sir Edward Grey.—(Received January 25.)

(No. 39.)

Sir, *Constantinople, January* 19, 1909.

I HAVE the honour to forward herewith a despatch from His Majesty's Consul at Bussorah transmitting translation from the "Bagdad" newspaper regarding local affairs at Bussorah.

I have, &c.

(Signed) GERARD LOWTHER.

Inclosure 1 in No. 17.

Consul Crow to Sir G. Lowther.

(No. 92.)

Sir, *Bussorah, December* 23, 1908.

I HAVE the honour to transmit herewith to your Excellency translation of a letter from Bussorah which appeared in the "Bagdad" on the 8th December last, published at Bagdad.

The letter is of interest as it is full of local colour. The facts regarding Sheikh Khazal's expedition against the Howeyza are, I am informed, not exaggerated. Many Turkish subjects were forced into his service. Seyyed Talib and the Nakib faction still overawe the population of Bussorah and are too strong for the authorities, who can only temporize with them. I believe them to be at the root of much of the lawlessness in this vilayet. The Vali speaks highly, I am told, of Seyyed Talib. The subordinate Government officials are subservient to the Nakib faction, and as all the bad characters

of the place find an asylum there, the results are obvious. No offenders against the law who enjoy the protection of this family can be punished. Ali Effendi is the chief executive police officer here. I am afraid his methods hardly serve the ends of justice.

I have, &c.

(Signed) F. E. CROW.

Inclosure 2 in No. 17.

Extract from the "Bagdad" of November 25, 1324 (December 8, 1908).

(Translation.)

MOST of the men whom Sheikh Khazal collected were, as I told you in a previous letter, Ottoman subjects from places between Kurna and Fao. They were taken by force and threats against their will by Seyyed Talib. Abdul Rezak-el-Amer, too, placed himself at the head of a band of men from the south and joined the army, and a vessel carrying a number of men from Sebiliat, the residence of the Nakib of Bussorah, set out after the evening prayer from Sebiliat with her passengers, all of them adherents and followers of the Nakib and acting under his orders, and proceeded in the direction of Mohammerah. But when they reached Abul Khassib, opposite the gardens of Khalid-bin-Khamis, Khalid himself, owner of the gardens, came out to them, and, seeing them armed, had his doubts about them and took them for robbers, and fired on them, killing two of them. Some of the relatives of the slain thereupon appealed to Seyyed Rejeb, the Nakib, who ordered a report to be written to the effect that the ship's company were proceeding to a wedding in the south when Khalid Khamis met them and killed two of them. The Nakib concealed the fact that they were proceeding by his orders to help Sheikh Khazal, and the story of the wedding was an invention to avert suspicion. Now the men who went to Sheikh Khazal have not returned up to the present. No skirmish has occurred between them and the people of Howeyza, against whom Sheikh Khazal is fighting, but they have been left far from their own people and have died by degrees from cold and hunger and fatigue, and their families are left in want, and many of the properties round Bussorah are untended for want of cultivators. The people of Howeyza have given in to Sheikh Khazal and are willing to pay the taxes he demands, but the Sheikh does not consent until their Chiefs come in and see him, intending, perhaps, to put one of his slaves in charge over them. So they fear to meet him, lest he should treat them as he treated his nephews and his brother's tribe.

Mubarek-es-Sabah is on the best of terms with Sheikh Khazal, and has helped him with men, money, and arms. He even brought 300 men from Koweit and one of his sons, and placed them at Nesar to protect it. He himself has been with Sheikh Khazal from the beginning to the end of the affair. May God curse those who work for the destruction of the unfortunate people. There is no relief but in God.

Yesterday Ahmed Pasha Zoheyr went to Zobeir, his native place, and was greeted with great joy and effusion by the whole population. When Talib went there he was only met by the Notables, and they went to meet him against their will, and only because they were afraid of him. But rich and poor, great and small, all came out to meet Zoheyr, in gratitude for the many benefits and kindnesses bestowed by his deceased father on them, and all the good done to his fellow-countrymen by the members of this family.

The elections here are not yet completed. Two days ago Ahmed Pasha Zoheyr wrote to Talib Bey and said that, if he did not pay in three days £T. 10,000 for the damage done with the assistance of Abul Huda to his property in the Gherma affair, and £T. 5,000 for his house which he had set fire to at Constantinople, he would take legal proceedings against him. Talib told the messenger that there was no answer. The three days expires to-morrow, and we shall see what will happen. The quarrel between Zoheyr and Talib has become acute, and Talib never goes out unless he is accompanied by a bodyguard of fourteen men armed with Martinis and Mausers for his protection. What about the Government prohibition against carrying arms? They see these things and raise no opposition. The police Commissaire, Ali Effendi, arrested in Mukhlis Pasha's time one Amer, a servant of the Nakib, who, with his companions, rifled a goldsmith's shop in the bazaar in broad daylight and wounded the proprietor. The Court acquitted him, and he was released. Ali Effendi felt considerable uneasiness when Talib Bey returned to Bussorah, as he was afraid of being murdered for the hand he had had in the affair of Amer's imprisonment. He thought of escaping to Bagdad, but was too avaricious to sacrifice his chances of making money, as he is in the pay of the prostitutes and brothel-keepers. So he found people to intercede for him and threw

himself at Seyyed Talib's feet, kissed them, and besought his pardon, which was granted. The rest of the Government officials present their respects in person to Talib Bey every day, and the Notables of the town place themselves at his orders.

There only remains the question of grain export. The prohibition against the export of grain from other vilayets to Bussorah continues. Bussorah is excluded from fair treatment.

[3577] No. 18.

India Office to Foreign Office.—(Received January 27.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Viscount Morley, forwards herewith, for the information of the Secretary of State, copy of inclosure in a letter from the Foreign Secretary to the Government of India dated the 17th December, relative to affairs at Bagdad.

India Office, January 26, 1909.

Inclosure 1 in No. 18.

Lieutenant-Colonel Ramsay to Sir G. Louther.

Bagdad, November 14, 1908.

IN continuation of my telegram dated the 12th November, I have the honour to inform you that on the 11th November I had an interview with the Acting Vali on the subject of the prohibition of the export of wheat, &c. The official intimation sent to the Consul-General stated that the exportation of wheat, barley, and ghi was of a temporary nature, but the instructions sent to the Bagdad Custom-house were that exportation was forbidden until after the Ramadhan. After that date some wheat was exported on the "Blosse Lynch" and one of the Turkish steamers was being loaded, when a portion of the wheat was returned to the store: the exact reason for this I do not know.

The Vali said that he was satisfied that there was plenty of wheat in the country, but that the populace might resent the export of food grains while the present high prices continue and that he felt that he would be unwise to take the risk of doing what might lead to a disturbance, unless he was quite sure that he could justify what he had done. Muhammad Pasha is essentially a man of the sword and not a man of the pen, and he said that he wanted to be supplied with good arguments in favour of allowing the export of wheat, when he would telegraph to Constantinople for orders. I quite sympathise with Muhammad Pasha's difficulties, and I have sent him a Memorandum of the reasons which appear to me to call for a withdrawal of the present prohibition. I inclose a copy of this Memorandum for your Excellency's information. It was written in conjunction with the representatives of Messrs. Lynch and Co. and of Messrs. Blockey, Cree, and Co.

I had asked his Excellency the Vali to secure the presence during our interview of an advocate in favour of continuing the prohibition, and when we got to the Serai we found the Naib of the Mohakamat-el-Sherah, who is a member of the Administrative Council. I understood from him that the members of the Council would like to see the prohibition withdrawn, but that they were afraid that there might be popular resentment and that they might get into trouble. He had no arguments to use in favour of the prohibition: he said that the Government was afraid of the populace, but he admitted that he dared not say this in the hearing of the Acting Vali. I do not think that the present Acting Vali is afraid of the populace, but he shrinks from the responsibility of revising Nazim Pasha's policy, because he feels that he is entirely out of his element when dealing with matters of trade and civil administration.

2. When the prohibition was enforced on the 13th August I declined to take any active steps to get it removed for reasons which will be found in the inclosure of my letter, dated the 17th August, 1908, with the present Vali I do not think that any one will dare to create a serious disturbance, and the current of public feeling is now so strongly in favour of the British nation that I do not think that a few ill-disposed persons could get up any enthusiasm for an anti-foreign movement. The Ramadhan

coupled with the laxity in the matter of fasting shown by some of the Young Turks was a splendid opportunity for the fanatical and reactionary party, but that opportunity is now happily a thing of the past.

3. The prohibition so seriously injures British trade at the present time and in the near future that I think that I should no longer be justified in not urging the local authorities to remove it even if there is some slight danger of opposition on the part of the populace.

Inclosure 2 in No. 18.

Memorandum of Reasons why the Prohibition on the Export of Grain should not be continued.

THE prohibition was a mistake from the beginning. It was said that it would reduce the price of wheat, but it has not done so.

2. It is known in commercial circles that there are very large stocks of wheat on the Upper Tigris and Zab Rivers.

3. The result of the prohibition has not been to increase the amount of wheat in Bagdad, on the contrary holders of wheat do not care to send it to Bagdad as long as the prohibition continues. They know that the grain stores have been pillaged once and naturally they do not care to send it to a place where they can neither sell nor insure safety.

4. In India, where serious famines are not rare, it has been found by experience that interference with trade is unwise.

5. The Government would not think of ordering the Sukkas and Hamals to work for less than the market wage in order that the poor might get cheap water and wood. Why should the men who have turned their labour into wheat be prevented from getting the fair return which an open market will give them?

6. The price of wheat is high now and it pays to export it. If the prohibition is maintained the price may in the meantime fall in London and Bombay and what will the cultivators then do with the wheat which remains on their hands? They can only keep it to rot; the country cannot consume all the wheat it produces.

7. There are two kinds of wheat in the country known as "Khashna" and "Na'ama." Only the latter is eaten by the people of the country, and at present prices only the former can be exported at a profit. Consequently the immediate effect of allowing the export of grain will be that the wheat which is not wanted for consumption will be exchanged for money.

8. The grain trade provides employment for a large number of poor people, such as hammals, gufachis, owners of river craft, and tanners of skins. The arrival of rafts reduces the price of building timber and if this is very high the persons earning their living in the building trade must suffer. Even if the cancellation of the prohibition did have the effect of slightly raising prices the poor would be better off with ample work and slightly dearer food, than with cheaper food and no money to buy it with.

9. If the people are not allowed to sell what they have in excess how can they afford to buy what they need, such as coffee, tea, sugar, and clothes?

10. The Government wishes to increase its land revenue, but it cannot expect cultivation to increase if it prevents the cultivators from obtaining the profit that it is possible when prices are high.

11. It is not reasonable to talk about a famine because there may not be rain. As a matter of fact, a telegram has been received from Mosul on the 11th November reporting that the river had risen 2 feet and was still rising. This must have been caused by rain.

12. With a rising river wheat may be expected to flow freely into Bagdad if the prohibition is withdrawn. The river water is now cold, and consequently both old and new skins can be used for rafts.

(Sent to Government of India.)

(Signed) J. RAMSAY, *Lieutenant-Colonel, Political Resident in Turkish Arabia and His Britannic Majesty's Consul-General, Bagdad.*

Bagdad, November 14, 1908.

[2652] No. 19.

Foreign Office to India Office.

Sir, *Foreign Office, January 27, 1909.*

WITH reference to previous correspondence respecting the Abu Musa Mining Concessions, I am directed by Secretary Sir E. Grey to transmit to you, to be laid before the Secretary of State for India, the accompanying copy of a letter, dated the 18th instant, from Messrs. Ellinger and Co., of Manchester,* inquiring whether His Majesty's Government would agree to sublet the mines either to the Moin-ut-Tujjar or to themselves.

Sir E. Grey proposes, subject to the concurrence of Lord Morley, to reply that Abu Musa is owned by the Sheikh of Shargah, a Trucial Chief, under British protection; that His Majesty's Government hold no lease of the island; and that there is at present no question of granting any permanent Concession of the mines.

I am, &c.

(Signed) LOUIS MALLET.

[4183] No. 20.

Sir G. Lowther to Sir Edward Grey.—(Received February 4.)

(No. 53.)

Sir, *Constantinople, January 26, 1909.*

I HAVE the honour to forward herewith a despatch from His Majesty's Consul at Damascus, transmitting his General Report for the December quarter.

I have, &c.

(Signed) GERARD LOWTHER.

Inclosure in No. 20.

Consul Devey to Sir G. Lowther.

(No. 1.)

Sir, *Damascus, January 2, 1909.*

I HAVE the honour to submit herewith my General Report for the last quarter.

Ali Yumni Effendi, Mutessarif of Kerak, resigned his post and went to Constantinople on account of being unable to cope with the backward and little civilized conditions of that sanjak, much as Haidar Bey a year or so ago found it impossible to remain in Hauran district. He was succeeded by Ibrahim Pasha, Ex-Mutessarif of Houleida.

The Persian Consul-General, Mirza Hashim Khan, died on the 14th October, and his grandson carried on in his stead till lately, when the French Consul here was given charge of the Persian affairs pending the appointment and arrival of a successor to the deceased old officer.

The new Alai Bey, Sheyket Bey, Cavalry Major, arrived here and took charge of his post on the 25th October.

Mohammed Pasha Adhi, after retiring from his post as Member of Idara Medjliss at the request of the Vali, was again taken back to his post and regained his strong influence. Three or four other officials who were dismissed at the suggestion of the Union and Progress Committee were recently restored to their old places.

The new Chief of Police, Servet Bey, arrived here and took charge of his duties on the 5th November.

Jevdet Bey, Jubiri of Aleppo, was appointed to the Kaimakamlik of Zibdani; Mohammed Refik Bey of Zawieh in Tripoli of Africa to that of Bekaa; Javid Bey to that of Homs; Hussamud-Din Bey to Deraa; and Rifaat Bey Busrul-Harir; the last three came from Constantinople quite recently.

The President of the Correctional Court here, Talsin Bey, was transferred as President of the Court of First Instance to Sivass; he is replaced here by Hikmat Effendi, Assistant Procureur-General in Salonica.

M. Carrara, the Italian Consul here, was transferred to La Plata and replaced by M. Dineo.

* No. 13.

The Vali Shukri Pasha was dismissed, presumably on account of his passiveness and lack of activity. Mazim Pasha, Vali of Beirout, replaced him, and arrived here and took charge on the 31st ultimo. It is believed that Shukri Pasha's dismissal was caused by the representations made against him by Major Saad Bey, who was here acting Alai Bey and left for Salonica and Constantinople late in October, subsequent to the riot excited against this officer and his Liberal friends by the Ulema, and reported in my despatch No. 58 of the 27th October. The Vali was accused of not only showing weakness to the mob but of being pleased with the reactionary rise against the Liberals.

Mir Liva Raif Pasha, Chief of the Staff here, was promoted to the rank of Ferik and transferred to be the Commandant of Konia; no officer has yet come to replace him.

Two delegates, Naimin Bey and Youssuf Zia Bey, from the Union and Progress of Salonica, arrived here towards the end of October and left about the 10th December. During their stay they tried to influence the elections for Parliament, but their efforts failed and the result was displeasing to the Liberals. They also modified the organization of the Union and Progress in Damascus and appointed the Committee anew, instructing that secrecy should be strictly observed.

The Christians were thoroughly disappointed at the result of the elections, failing to obtain one representative among the eight Deputies assigned to this villayet. And it must be observed that the Moslem electors met before the elections were held, and mostly agreed among themselves that they would prefer to elect Moslems. A certain want of unity among the various Christian sects contributed to this result.

On the 11th ultimo Abdurrahman Bey, the Haj Muhafizi, and Ghalib Bey, the Surra Emini, left by train to join the Mahmal and pilgrims preceding them to Medina, the road between here and that place being safe and security well preserved. Even beyond Medina to Mecca, according to the reports of Bahri Pasha, there is no disturbance at present, and the turbulence of the Bedouins is practically suppressed and the rebels have now offered obedience and submission.

The prestige of the Government, after being dim for awhile, is now beginning to regain its normal aspect, and during the quarter no extraordinary disorder was noticed in the vilayet, except the disputes in Damascus, occasioned by the elections and the threatening demonstration against the Alai Bey and Chief of Police on the evening of the 24th October. The disorder in the interior is hardly more than ordinary; special complaints were heard from Baalbek district about increasing number and activity of brigands, but as soon as an efficient Kaimakam (Ikil Bey of Nebk) was sent there order was restored and people calmed.

The general state of things in Jebel Druze and the Hauran is fairly quiet at this moment, the Bedouins having withdrawn for the winter into the Eastern Desert as usual. But a certain amount of ill-feeling exists between Druzes and Moslems of that district, and quite recently the former killed a Moslem peasant from Bosra-Eskisham over some land dispute; the Moslems of that village in revenge attacked two Druzes returning from Damascus at the railway station of Sheikhmiskin and treacherously killed them, and the two parties are now antagonistic to each other; however, the Government are taking measures to punish the guilty and reassure safety.

The Druze community in general is believed to be feeling somewhat apprehensive as to the tendency and possible future designs of the Constitutional movement in Turkey, which they have not welcomed with any cordiality in respect of their quasi-independent position; they are anxious lest this may be hereafter attacked, and they themselves forced to contribute their fair quota of conscripts and universal taxes with almost all other districts of the Empire. Of late years they have not increased in number nor in power and influence, but during the past twelve or eighteen months their resources and wealth have been considerably augmented by the outlet afforded by the Hejaz and Haifa Railway, for sale of Hauran grain. What surplus funds they have at their disposal they as usual lay out in the purchase of arms, and these are unluckily nowadays to be found more easily and at far less cost than was the case a few years ago, if rumour is to be believed.

It will be remembered that some demonstration of obstreperousness was attempted in the month of October, which was quickly evanescent at the word of the local authorities. Now that Nazim Pasha, who during his late tenure of office in Syria was regarded as friend and protector of Druzes so far as in him lay, has been reappointed they should be gratified, but I believe feel uncertainty as to whether he will continue his former conciliatory and mild lines of administration. A Deputy for the Chamber was, indeed, selected at Deraa, but the Druzes took little or no part in the elections.

The clubs founded here are now losing zeal and activity, one of them already collapsed, while the others are practically doing nothing towards reforms in any respect, except the Commercial Club, which is still working to get subscriptions for 12,000*l.*, with a view to establish a plant for manufacturing fezzes; the shares floated for this purpose are 3,000, half of which is already subscribed for. The Hurriyet Club is social rather than political.

Though the wheat and barley crops of the last harvest were exceptionally good, and stocks are much greater than usually at this period in past years, yet the prices are still high, averaging about 5*s.* per bushel for wheat and about half as much for barley. The rainfall during the autumn was good, and prospects for the next crops are so far promising.

The boycott of Austrian goods, which began about two months ago, continues here, but not to a great extent. Damascus being a small direct trading centre for European firms, depends mostly on Beirout, which supplies this province with whatever stocks it has; but people here abstain from buying articles if they know that they are from an Austrian origin.

During the last quarter three papers appeared in Damascus, viz., "Muktabass" (daily), "El-Asrul-Jedid" (weekly), and "Raudetus-Sham" (twice a-week). Other papers are also being prepared for.

Business in the Government Departments is conducted on a rather better basis than it used to be: officials dare not take bribes except in rare cases when secrecy is assured, but salaries are still not forthcoming. In general we may say that present conditions are undergoing a slow process of amelioration.

The Hejaz Railway construction work has been limited to completing some masonry parts still wanting between Medain Salih and Medina, and keeping the line in repair; while the Traffic Department has been so ill-managed that receipts do not cover expenses. Moreover, the pilgrims going by land this year were actually less than 5,000—half of the number of last season. Even the Traffic Department could not manage to carry this number through, and many of them returned from El-Ola or Tebouk to Haifa claiming their money back or a sea-passage to Jeddah. Much construction work yet needs very serious attention.

I have, &c.
(Signed) G. P. DEVEY.

[4187] No. 21.

Sir G. Lowther to Sir Edward Grey.—(Received February 1.)

(No. 57. Confidential.)
Sir, *Pera, January 27, 1909.*

SIR N. O'CONOR in his despatches Nos. 54 of the 14th February, 68 of the 1st March, 104 of the 22nd March, and 115 of the 28th March, 1908, dealt with the subject of a Secret Arrangement concluded between Turkey and Russia relative to the construction of railways in Northern Asia Minor, but I have been unable to discover that the actual text of the Agreement was ever transmitted to your Department, as that transmitted in Sir N. O'Conor's despatch was at the time considered to be apocryphal.

I have now the honour to inclose the text of the Agreement, which has come into my hands, and from which you will observe that the construction of any lines in this district is reserved exclusively to Russians, among foreigners, under the same conditions as those governing the construction of the Bagdad Railway. The Agreement does not extend to the Ada-Bazaar–Heraclee line, nor to the lines from Angora–Caesarea–Kharput–Bitlis and Van.

The matter is of interest at this moment, as a question is shortly to be asked in the Chamber about this Agreement, but the Grand Vizier informs me that an evasive answer will be given. His Highness added, however, that when the Turkish Government have got over their other troubles they will suggest to the Russian Government that, as all the Armenians have returned to the Turkish side of the frontier, the prevention of their return having been at the time of the Agreement greatly desired by the Sultan in his fear of revolutionaries, and one of the main considerations for which the Agreement was made on the part of the Ottoman Government, this side of the Agreement has *ipso facto* lapsed.

Yet, as the document makes no mention of the Armenians, it is hard to see on what his Highness will be able to base his negotiations in this direction, and the First Dragoman of the Russian Embassy recently remarked that it could indeed be cancelled, but only at a good price.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure in No. 21.

Agreement between Turkey and Russia respecting the Construction of Railways in Northern Asia Minor.

DANS le cas où le Gouvernement Impérial ottoman jugerait opportun de construire des voies ferrées dans les provinces septentrionales de la Turquie d'Asie, il est décidé, eu égard aux relations d'amitié qui existent entre la Turquie et la Russie, que, si le Gouvernement Impérial ottoman n'était pas en mesure d'exécuter les lignes projetées avec ses propres ressources, la Concession n'en sera accordée qu'à des sujets russes, et cela dans les mêmes conditions que celles qui ont servi de base à la Convention du 12 (24) décembre, 1899, relative au Chemin de Fer de Bagdad.

Lors de la création de nouvelles lignes dans la région qui forme le littoral de la Mer Noire, il sera tenu compte des intérêts commerciaux des deux pays.

La présente décision ne sera pas appliquée à la ligne d'Ada-Bazar à Héraclée, ni aux lignes d'Angora à Césarée–Kharput–Bitlis et Van, qui en sont formellement exceptées.

Mars 1900.

[4548] No. 22.

Board of Trade to Foreign Office.—(Received February 3.)

Sir, *Board of Trade, February 1, 1909.*

I AM directed by the Board of Trade to acknowledge the receipt of your letter of the 21st January transmitting print of a letter from Vice-Admiral Sir C. Campbell on the subject of the projected Tripoli–Homs Railway.

The Board note that it is stated under head No. 4 of this letter that the Memorandum and Articles of Association of the Company will be submitted to the Foreign Office if so desired, and they would suggest, provided Sir E. Grey sees no objection, that advantage might be taken of this provision.

Should this course be followed, the Board would be glad to have an opportunity in due course of perusing the Memorandum and Articles of Association.

I am, &c.
(Signed) GEORGE J. STANLEY.

[5062] No. 23.

Sir G. Lowther to Sir Edward Grey.—(Received February 8.)

(No. 61.)
Sir, *Constantinople, January 29, 1909.*

WITH reference to my despatch No. 700 of the 24th October, 1908, I have the honour to forward herewith a despatch from His Majesty's Consul at Damascus, reporting on the recent affairs in the Nejd.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure in No. 23.

Consul Devey to Sir G. Lowther.

(No. 4.)

Sir, *Damascus, January* 19, 1909.

WITH reference to my despatch No. 56 of the 13th October, 1908, respecting affairs in the Nejd, I have the honour to report that Hamoud-ibn-Sebhan, uncle and guardian of the young Emir of Hail Soond-ibn-Rashid, has been during the last four months trying with a certain amount of success to consolidate and unite the various sub-tribes of Shammar under his command and to draw to his side as many tribes of the Nejd as he can, so that at present he is in a position to defy Ibn Soond and his forces concentrated in Kassim. The latter, moreover, has been deserted by the powerful tribes of Oteibeh and Muteir, who declare their being independent of either of the two Emirs of Nejd, and further the strong sub-tribe of Shammar, Aslem, which left Ibn Rashid about a year ago and joined Ibn Soond, now turned back to Ibn Sebhan's side; and consequently the forces upon which Ibn Soond counted are diminishing in their effective, so that he abandoned the idea of carrying an expedition against Hasa and the eastern coast.

Lately Ibn Sebhan retired from Kassim frontiers to Hail, and Ibn Soond is still at Buraideb, in Kassim, and it is not probable that these two rivals will be engaged in battle in the near future.

I have, &c.
(Signed) G. P. DEVEY.

[4783] No. 24.

Sir G. Lowther to Sir Edward Grey.—(Received February 5.)

(No. 61. Confidential.)

Sir, *Pera, January* 30, 1909.

I HAVE the honour to reply to your despatch No. 10 of the 12th instant, requesting my observations upon a scheme which is being put forward by certain British subjects in connection with a Syrian group for the construction of a railway from Tripoli to Homs, and for the amelioration of the harbour at the former town.

I have but little to add to the remarks contained in my predecessor's Commercial despatch No. 132 of the 25th November, 1907, to which I have the honour to invite your attention. It is obvious that the last paragraph no longer holds good, as people are now presenting themselves for the development of the project.

I presume that the present group hope to evade the application of the stipulation in Article 12 of the Bagdad Railway Concession by the fact that the new line will not touch that railway, and so cannot be considered as forming a branch of it.

In the present embryonic and confidential state of the negotiations between the private parties concerned, I am reluctant, for fear of damaging their interests, to inquire how strong an opposition, whether political or financial, they are likely to encounter on the part of their French and German rivals, but I can hardly doubt but that it will be severe.

His Majesty's Consul-General at Beirout, to whom I forwarded your despatch for his observations, had none to offer beyond expressing the opinion that the line ought to prove a financial success. But he forwarded to me some letters from Mr. Skinner, who is the chief promoter of the new scheme, copies of which I have the honour to forward herewith. From these it appears that the Company is to be a British Company, which should materially tend to secure the favourable attention of the Turkish Government to the application for a Concession, though it will not lessen French and German opposition.

Next you will observe that the scheme is far more ambitious than it appeared from the papers submitted to you. The idea really is to carry it on from Homs to Deir on the Euphrates and thence down the river to Bussorah, which will involve a sum of about 8,000,000*l*. In granting their assistance and protection to the Tripoli–Homs scheme, His Majesty's Government are, of course, not committing themselves to the greater project, but the present scheme has to be viewed with a different eye when its proposed ultimate development is considered. For instance, this line must meet the Bagdad line at Deir, and it is then a question if thereby an "embranchement à la mer" is not constituted.

Mr. Cumberbatch, in noticing that the Agreement between the Syrian Company and that under the auspices of Sir Charles Campbell transfers all the rights of pre-emption of the former to the latter, while it engages the former to provide a portion of the capital needed for making the railway, adds that he presumes that Sir Charles Campbell has taken guarantees for the carrying out of their engagements by the Tripoli group to prevent difficulties being raised later on. It is not easy to use too much caution in dealing with Syrians.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure 1 in No. 24.

Mr. Skinner to Vice-Consul Abela.

(Very Confidential.) *Auf Eichberg, Lauterbach (Hessen), Germany,*

Dear Mr. Abela, *October* 20, 1908.

NO doubt you will have been informed by our Syrian friends that Mr. Ezzedine would not accept Messrs. Carlton, Creig and Company's proposals for carrying out the Tripoli–Homs Railway, and as it was impossible to get any other firm to undertake the business on Mr. Ezzedine's terms, I had to give up the scheme as intended by our Syrian friends.

In the meantime, the constitutional changes in Turkey and the increased interest that England and France are taking in Turkish and especially Syrian affairs made me decide to lay the matter before our Foreign Office, but in an extended form, as I knew that our Foreign Office would take but little interest in such a small railway, as we intended it to be, from Tripoli to Homs. In view of the great efforts the German Government is making to obtain control of the greater part of Mesopotamia and Syria through its Bagdad Railway, I suggested an English competition by building a connecting line between the Mediterranean and the Persian Gulf, for which no better starting point than Tripoli could be found, on account of its splendid harbour and its close proximity to Cyprus and the Egyptian ports and the Suez Canal. I am pleased to say that I met with success, and matters are progressing so far so satisfactorily that Sir Charles Campbell, Vice-Admiral and K.C.G., is appointed, and has undertaken this post to be British Agent in London for carrying out this gigantic scheme. Jointly with us the French Government has taken the greatest interest in the undertaking, which has been personally approved of by the French Ministers, Clemenceau and Pichon, who have also nominated two Agents, namely, M. Fabre-Luce of the Crédit Lyonnais (Vice-President) and M. Jacques Siegfried, of the Banque de l'Afrique de Sud, to co-operate with Sir Charles Campbell for carrying out the scheme.

The leading banks for the finance of the business are—

For England.—Baron d'Erlanger.
For France.—The Crédit Lyonnais.

One half of the capital is to be subscribed by the English Bank, the other half by the Crédit Lyonnais.

In view of this joint working of the biggest banks in England and France and the assistance of the French Government and our Foreign Office, there is every possibility now that this railway will start from Tripoli and be carried viâ Homs to Deir on the Euphrates, and from there along the Euphrates to Bussorah, or so far as the River Euphrates is navigable for bigger ships to the Persian Gulf. The capital required for this undertaking is naturally a very large one, as the length of line is nearly 1,000 miles and will absorb *circa* 8,000,000*l*.

I have laid all the former negotiations with our Syrian friends before the Foreign Office, and gave all the original letters I held. Of course, I had to mention the great amount of trouble and the untiring interest you yourself have taken in getting this business so far, and I reported to Sir Charles that it was only through your influence we managed to keep the business so long in our hands and preventing others from getting hold of it, and I have no doubt that your services in this matter will be remembered in some form or another.

Now, Sir Charles has written to me about our Syrian friends and their co-operation with the Anglo-French Company carrying out this undertaking, and he states that for political reasons it is most important that this Company must be an Anglo-French-

Syrian one, and that it is absolutely necessary that our Syrian friends are incorporated in this business, not so much on account of the capital they will invest in this undertaking as to clear away some obstacles which some of the continental Powers (Germany) are sure to raise when the Concession will be applied for. To an Anglo-French Company they may object, but to an Anglo-French-Syrian Company they cannot, as they have no grounds to base their objections upon, for nobody can hinder the Syrians from developing their own country, and by means of railways and harbours this can best be effected.

For this reason I have suggested to Sir Charles that our Syrian friends enter into the Anglo-French Company on the former conditions, namely, that they carry out the original programme for a line from Tripoli to Homs, and the Anglo-French Company will find half the capital required for this "section"—to start with—of the Tripoli–Persian Gulf Railway, and if our Syrian friends then like to invest further capital for the prolongation from Homs to Deir and the Persian Gulf, of course they are quite welcome to subscribe such amounts as they wish to invest. Will you therefore be so kind as to explain this business to Mr. Ezzedine, and point out to him that on this side the greatest importance is attached to the co-operation of the Syrians with the Anglo-French Company, and what an immense profit Tripoli and its trade will derive from being made the centre of the Mediterranean once the line is carried as far as Bussorah, in which doubtless Mr. Ezzedine and his friends will take a very great share. Will you please, then, get Mr. Ezzedine to state what amount of capital is likely to be subscribed by him and his friends—

(*a.*) For the line Tripoli–Homs.
(*b.*) For the line Homs–Deir–Bussorah.

This statement I should suggest to be made in a form that can be laid directly before Sir Charles.

Kindly get also Mr. Ezzedine and his friends to state their willingness to enter onto a co-operation with the Anglo-French Company, and that he is agreeable to Sir Charles Campbell acting as agent also on their behalf in England. When all this is settled somebody will probably come out to Constantinople and Tripoli to arrange all the details of the undertaking with Mr. Ezzedine and his friends.

Do not forget to mention to Mr. Ezzedine and his friends, and for information to his friend Mr. Moussali at Beirout, that as regards the commissions to be paid to him and Mr. Moussali as was arranged in London that that arrangement holds, of course, good, and should more capital be subscribed beyond Homs the remuneration will also be larger.

I leave it to your discretion to inform Messrs. Yanni about this letter; of course, if the business goes through they will get also the commission as arranged previously. In conclusion, I must point out that in case, against all expectations, Mr. Ezzedine should not consent to co-operate with the Anglo-French Company for carrying out the railway, it is to be feared that the Concession will be taken up all the same by the Anglo-French Company, and, though under difficulties, carried out; but Mr. Ezzedine and his friends and Mr. Yanni would not profit in any way by such a proceeding, as the Anglo-French Company would assuredly refuse to pay any commissions if they obtained the Concession without the co-operation of our Syrian friends. I hope this will not be the case, and you will get Mr. Ezzedine and Company to join in this enterprise, out of which a lot of money will find its way into the pockets of our Syrian friends if they work with us.

Please get Mr. Ezzedine to send the two statements I asked for as soon as possible, so that Sir Charles may know what further steps to take, as the business is being urged on as fast as possible.

I have no doubt you will be very pleased to hear these interesting and good news, but I must beg that you will keep them as secret as possible, and enjoin Mr. Ezzedine and Mr. Yanni to do likewise till positive facts admit of publishing this very important undertaking, which no doubt will have a very startling effect in some countries.

Yours, &c.
(Signed) HARRY H. V. SKINNER.

Inclosure 2 in No. 24.

Mr. Skinner to Vice-Consul Harris.

Auf Eichberg, Lauterbach (Hessen), Germany,
November 30, 1908.

My dear Dr. Harris,

INCLOSED I send you a letter to Mr. G. S. Yanni, with two inclosures, namely, a draft Agreement between Sir Charles Campbell and Baron d'Erlanger and Co. on the one part and Messrs. Ezzedine and Co. on the other part, for the preliminaries to set the Tripoli–Homs Railway and Harbour Improvement scheme agoing. I also send a copy of Sir Charles' letter to the Foreign Office in London, sent here on the 28th instant. In regard to this letter, I beg to remark that Sir Charles had a long interview at the Foreign Office with the head of the Syrian branch on the 25th instant, and they agreed on all points relating to the Tripoli–Homs Railway and Harbour Improvement scheme, promised all their support and offered assistance, and, in order to take steps in this respect, Sir Charles was asked to send in a letter to the Foreign Office giving all the details, and ask officially for the Foreign Office support. This letter (copy of which I send inclosed) was sent to the Foreign Office on the 28th instant, and now the road is clear. I send all these letters to you, that before giving them to Messrs. Yanni for Mr. Ezzedine, you may read them carefully through and inform yourself on all points and know what is going on; afterwards please give these letters and inclosures to Messrs. Yanni for Mr. Ezzedine, urging them now to carry out all I ask for in this letter and in my previous ones to you with as little delay as possible, so that we can go ahead with the business.

Trusting to hear from you, Messrs. Yanni and Ezzedine, soon, yours very faithfully,

(Signed) HARRY H. V. SKINNER,
Chief Engineer.

Inclosure 3 in No. 24.

Mr. Skinner to Messrs. G. S. Yanni.

Auf Eichberg, Lauterbach (Hessen), Germany,
November 30, 1908.

Dear Sirs,

I AM much obliged to you for your kind letter of the 17th instant a few days ago; I had also one from Dr. Harris.

At last we have now the business in the right quarter, and from all appearance it seems as if it would be a great success, at any rate, we have the very best people in it with the best intentions to do it interested in it. I am sending you a short Agreement drawn up by Sir Charles Campbell and Baron d'Erlanger and Co. to serve for the present as a preliminary basis for a definite Agreement to be entered into and concluded and ratified on the spot in Syria. I send you also a letter which, at the request of the London Foreign Office, Sir Charles has laid before the Secretary of State for Foreign Affairs, in order that steps can be taken at once by our British Embassy at Constantinople to protect our interests and prevent anybody else from stepping in and taking up the Concession. I must remark that, for the present, as I have already written to Dr. Harris, we must only apply for a Concession as far as Homs, afterwards going on with the railway as soon as it is started at Tripoli. Now, what I wish Mr. Ezzedine and yourself to do is this:—

1. To let us know if you consent to this Agreement, leaving it to you to add any clauses you may wish to, though for the present I think it contains everything necessary for a preliminary Agreement till the final one is drawn up out there.

2. To send, if it has not been done already, a document empowering Sir Charles to act on behalf of the Syrian group in this business in London with as little delay as possible.

To inform your friends at Constantinople that an application will be made for a Concession to construct and work a railway from Tripoli to Homs, and also for the improvement of the harbour at Tripoli in connection with this railway, requesting your friends to assist in every way, that such a Concession is given with every possible speed, this being of the utmost importance and for the mutual benefit of all those concerned in the undertaking.

As regards the Agreement drawn up by Sir Charles and Company, I point out that the commission for you and Mr. Ezzedine has been left out on purpose, as I think that when the final Agreement is drawn up out there on the spot between your group and the London one, you will be able to make better terms and obtain a higher sum, and I will support you for all your troubles, than we agreed upon in London. It was for this reason it was omitted to mention any special sum in this preliminary Agreement assuring you which shall in no case be less than agreed upon, and for which ample means have been set aside. I have written to Dr. Harris a few days ago explaining what I wanted him to ask Mr. Ezzedine to do, and I am now awaiting to hear from him, and, of course, now also from you. I requested him especially to beg you, Messrs. Ezzedine and his group to consent to my using the title of "Chief Consulting and Constructing Engineer" on behalf of the Syrian group, and act in that character. I shall consider it a great favour if a letter to this purpose was sent me by Mr. Ezzedine and his group.

Awaiting your further good news, and with my best compliments and sincerest regards to Mr. Ezzedine and yourselves, I am, &c,

(Signed) HARRY H. V. SKINNER,
Chief Engineer.

Inclosure 4 in No. 24.

Agreement between Sir C. Campbell, British Admiral, and Messrs. Emile d'Erlanger and Co., London, on the one part, and Messrs. Mustapha Ezzedine and Co., Tripoli, Syria, on the other part.

SIR CHARLES CAMPBELL to be the British Representative and Agent, with power to act for the group.

2. Baron Emile d'Erlanger and Company, British Bankers and Financiers, of 20, Bishopsgate Street (Within), City of London, to be the Bankers and Financiers.

3. Messrs. Pauling and Company to be the head Contractors for the line.

4. Mr. Mustapha Ezzedine and Company to be the local Sub-Contractor, and to act locally jointly with the British Contractor and Agents.

5. The moment the preliminaries can be arranged an Anglo-Syrian Company, to be formed with a capital of from 350,000*l.* to 400,000*l.* The proportions in Syria and Great Britain to be mutually agreed upon.

6. The name of the Company to be "The Anglo-Syrian Tripoli–Homs Railway and Tripoli Harbour Improvement Company."

7. Messrs. d'Erlanger and Company to send out an engineer and accountant to survey the line and conclude arrangements and Agreement with Messrs. Ezzedine and Company on the spot, if Messrs. Ezzedine agrees to the general terms of this Agreement. Sir Charles Campbell to obtain the Concession from the Turkish Government, assisted by Messrs. Ezzedine as much as possible.

(Signed) C. CAMPBELL.
ÉMILE D'ERLANGER AND Co.

London, November 1908.

(Signed)

Tripoli, Syria,

Inclosure 5 in No. 24.

Vice-Admiral Sir C. Campbell to Sir Edward Grey.

8, *Foulis Terrace, Onslow Gardens, South Kensington,*
Sir, *London, November 27,* 1908.

I HAVE the honour to bring to your notice the details of an undertaking which has for its object the improvement of the harbour of Tripoli, and the construction of an Anglo-Syrian Railway from Tripoli to Homs, a distance of some 50 miles.

2. The present owners of the Tripoli–Homs road for waggons, carriages, &c., are Messrs. Ezzedine, who would sell the road to the Tripoli–Homs Railway Company when formed.

3. Bankers, Financiers, &c.

I have approached Messrs. d'Erlanger and Company, British Bankers and Financiers, of 20, Bishopsgate Street (Within), and they have consented to investigate the scheme in detail, and to send out an engineer and accountant to make a survey and estimate with a view of forming a Company if the report is satisfactory.

4. This Company would be a British Company under British management, and its head-quarters will be in London.

The estimated capital required is from 350,000*l.* to 400,000*l.*

5. The chief Contractors would be English (Messrs. Pauling and Company).

6. Local labour would be employed to the fullest extent possible, and Messrs. Ezzedine and Company, who besides owning the present road have property along the line, would be the local Contractors.

7. Some French capitalists have expressed a desire to co-operate, and if satisfactory arrangements can be made their assistance might be accepted, but on no account will any German assistance be sought or interference permitted.

8. The present Constitution is solely and purely Anglo-Syrian, and I am most anxious with as little delay as possible to obtain a Concession from the Turkish Government for the laying of the rails on the present road, and making the necessary alterations in curves, gradients, &c.

9. Under the above conditions, I have the honour to request, on behalf of the Anglo-Syrian group, whom I represent in England, that the British Government will grant the undertaking the privilege of its support, and such assistance as is consistent with the existing regulations and customs in obtaining a Concession for the Tripoli–Homs Railway and Tripoli Harbour Improvement. My object in making this request is to prevent the possibility of the scheme being taken up by German capital.

I am, &c.

(Signed) CHARLES CAMPBELL.

[4807] No. 25.

India Office to Foreign Office.—(Received February 5.)

Sir, *India Office, February 3,* 1909.

WITH reference to previous correspondence as to the Abu Musa oxide question, ending with the letter from this Office of the 11th November last, which inclosed copy of the Resident's telegram to the Government of India of the 19th October, 1908, I am directed to inclose copy of a telegram on the subject from the Government of India, dated the 3rd January, 1909, together with copy of the Resident's letter of the 29th November therein referred to. The situation as regards the oxide already mined was explained to the German Government in Sir E. Grey's note of the 23rd July last.

Viscount Morley would be glad to be favoured with the views of Secretary Sir E. Grey on the suggestion of the Government of India that the German Government should be asked for definite information as to the alleged forward contracts of Messrs. Wönckhaus and as to the intentions of the firm with regard to further shipments of oxide from the island.

As regards the recommencement of mining operations, Lord Morley is of opinion that any work of the kind should, if possible, be avoided pending a settlement of the case with the German Government. Consideration of the action to be taken in the event either of an application from Messrs. Strick, or of a demand by Messrs. Wönckhaus for a further amount of oxide beyond that already mined on their account, may perhaps be deferred till the occasion rises. In the first contingency the question may rise of exclusive rights that may be claimed by Messrs. Wönckhaus in respect of Abu Musa oxide under their contract with Hassan of the 1st January, 1906. But the Memorandum to the German Government of the 10th July, 1908, undertook no more than that Messrs. Wönckhaus should be enabled to procure a limited amount of oxide with a view to fulfilling contracts made before the cancellation of the lease.

As regards the question of guaranteeing the Residency Agent's brother, who would be entrusted temporarily with the mining operations in the event of further supplies being sanctioned,* there seems no reason why the purchasers, if other than

* See India Office, October 1 to ditto, October 2, 1908.

Messrs. Wönckhaus, should not pay a price sufficient to cover the cost of the operations. But if Messrs. Wönckhaus are the purchasers, they may claim to be intitled, under the contract of the 1st June, 1906, to pay no more than 15*s.* 6*d.* a ton, a price which Major Cox's letter of the 29th November, 1908, suggests might not cover the cost of the operations.

I am, &c.
(Signed) A. GODLEY.

Inclosure 1 in No. 25.

Government of India to Viscount Morley.

(Telegraphic.) P. *January* 3, 1909.

PLEASE refer to telegram from Resident, Persian Gulf, dated the 19th October, regarding Abu Musa Oxide Concession, forwarded with weekly letter of the 22nd October. Removal of oxide has not been begun by Hassan, and Major Cox has been told by German Consul that there has been no move on the part of Messrs. Wönckhaus, although he has since June, reminded firm from time to time of obligation to give us notice. Stress was laid in the German case on the loss which, owing to failure to supply oxide in accordance with terms of forward contracts, had been incurred by Wönckhaus. The inaction of the firm, particularly in view of fact that the Abu Musa oxide has no assured position in the trade, leads Major Cox to doubt whether forward contracts existed. The 400 tons shipped by the "Louise" are rumoured to be lying at Hamburg unsold. As regards negotiations with Germany, we have no recent information concerning progress that has been made, but, if possible, it would appear desirable that definite information as to nature of alleged forward contracts, and as to intentions of Messrs. Wönckhaus respecting further shipments, unless there is demand for oxide, should be obtained from German Government. If Residency Agent's brother is required to carry out further mining operations, it will be necessary to guarantee him against loss. Major Cox appears to have been informed by local agent of Messrs. Strick and Co., that 500 tons will be required by his firm. Major Cox recommends, and we are disposed to agree, that, unless this be true, brother of Residency Agent should wait until there is some demand for oxide before recommencing mining operations.

Major Cox's letter of the 24th November, forwarded with weekly letter of the 24th ultimo, explains the whole case.

Inclosure 2 in No. 25.

Major Cox to Government of India.

(Confidential.) *Bushire, November* 29, 1908.

I HAVE the honour to lay before Government the present local aspect of the Abu Musa question.

2. It will be seen from the inclosure to my letter dated the 8th June, 1908, that Hassan Samaiyeh and Mr. Brown estimated, in May last, that the proportion of mined oxide lying on the island, which was of marketable quality and which they would *primâ facie* be glad to ship, amounted to about 3,000 tons; but Messrs. Wönckhaus' agent then had no news of any desire on the part of his principals to ship more in the near future, and Hassan Samaiyeh (who was informed by me that he was at liberty to handle the oxide for the German firm according to their requirements) replied that, under the circumstances, he would not commence moving more material to the shore until after the hot weather.

A little later, replying to a communication of mine, in a letter of which I inclose a copy, Dr. Listemann, German Consul, undertook to give me due warning of any intention on the part of Messrs. Wönckhaus to take a further shipment; and since my return from Shiraz at the beginning of the present month, my colleague has informed me that, although since June he has from time to time reminded Messrs. Wönckhaus of their obligation to give us adequate notice, up to date the firm has made no sign in that direction. He is now making another reference to them.

Hassan Samaiyeh did, indeed, inform our Agent that he would recommence work after the end of Ramazan (*viz.* the 26th October), but he has not yet started operations. It will be remembered, however, that there is already a balance of about

400 tons lying on the sea-shore which the "Louise" could not take in April, and which will form a nucleus for the next shipment, and Hassan knows that he can go on removing the other material to the sea, as soon as the German firm are ready for him to do so.

It is clear, therefore, that, as far as we are concerned, what is necessary for the facilitation of their operations on the accumulated oxide has been done. The delay which has occurred has been on their own part and we can do no more at present than await an intimation from them.

3. This inactivity on the part of the German firm during the past seven months has a bearing upon the question of forward contracts to which I venture to direct attention.

In the communications of His Majesty's Government marginally cited,* emphasis is laid on the expediency of our making arrangements "to enable Messrs. Wönckhaus to fulfil their contracts" . . . . "undertaken before the cancellation of the lease."

In this connection it will be remembered that the German Case dated the 31st December, 1907, represented Messrs. Wönckhaus as claiming *qud* concessionnaire against the Sheikh. Complaint was made that the Sheikh's action had prevented the concessionnaires from fulfilling their contracts to Wönckhaus under the document forming Inclosure 5 of the German Case, but all that was said regarding contracts from Messrs. Wönckhaus to firms in Europe was that "Herr Wönckhaus on his side has already sold theiron oxide to his shipper, and, in order to fulfil his obligation, must buy oxide elsewhere at a high price."

I do not think we have anything more definite than this regarding Herr Wönckhaus' forward contracts.

I may usefully observe here that "Abu Musa oxide" has not yet achieved a reputation or assured position in the trade, as has "Hormuz oxide;" and meanwhile it is reasonable to suppose that no trader in Europe would be likely to commit himself to "forward contracts" covering any long period of time or considerable quantity of material. The fact is that up to now the Abu Musa brand has proved of variable quality; some consignments have been approved and some not, and the merchant in Europe is thus in the habit of protecting himself by stipulating, "I will take so many tons of oxide of the same quality as the shipment by such and such a vessel." The terms of Hassan Samaiyeh's contract of the 1st June, 1906, with Messrs. Wönckhaus support this statement.

Consequently, though, as stated in the German Case, Hassan Samaiyeh has engagements with Wönckhaus to the extent set forth in the document of the 1st June, 1906, it seems very improbable that Herr Wönckhaus has, or ever had, any forward contracts in connection with the Abu Musa material of such a definite nature as to cause him to stand to suffer loss for non-fulfilment, and his present inactivity gives support to this supposition.

I have drawn attention to this point as a preface to the inquiry whether it would not be advisable for us to ask for a little more definite information regarding these contracts which we have given Messrs. Wönckhaus credit for having entered into, prior to the cancellation of the Abu Musa lease. At present there is nothing to preclude the firm from claiming to have contracts in Europe up to the 1st June, 1910, and thus prolonging Hassan Samaiyeh's connection with the island until then.

4. Another point for remark is that, according to reliable report, the steam-ship "Louise's" cargo of last April is still lying at Hamburg unsold, and it seems possible that the pretext may be advanced by the German firm (in order to make capital out of the non-sale) that the delay which intervened between the time at which this dispute arose and the date of the "Louise's" arrival, had caused the oxide shipped by her to deteriorate. In view of this possibility, I would mention that it has always been the custom for the oxide operators, whether at Hormuz or Abu Musa, to accumulate by leisurely work on a small scale in slack times, considerable quantities of oxide ready for shipment when orders come in; and oxide so accumulated, when the surface is acted on by rain or damp, seems to provide itself with a hard superficial crust which is calculated both to preserve the interior from deterioration from weather or from adulteration by sand.

So much for the material already mined and at the disposal of Hassan Samaiyeh and the German firm.

* India Office, March 31; to India Office, April 29; India Office, September 9, 1908.

5. Lastly, there is the question of fresh mining operations to be considered. In this connection, Government have decided that it is not expedient that the Sheikh of Shargah should issue a formal Concession to a British firm until the dispute with Germany is settled. Meanwhile, as reported in my telegram, Shiraz, of the 19th October, 1908, the brother of the Residency Agent at Lingah is prepared to undertake the necessary mining operations either without contract under the instructions of the Residency, or on a contract with the Sheikh. Any temporary contract with the Sheikh is, however, in my opinion, unworkable, and it is agreed that no contract for a term of years is for the present desirable.

We are therefore reduced to the first alternative and this to me seems much the most convenient under the circumstances.

But it will be clearly difficult to make an entirely satisfactory arrangement unless the working agent is guaranteed against loss.

The position is this:—

The conveyance of the oxide, when mined, to the shore, transport involving an outlay of nearly 5,000 rupees must be provided in order to put operations on an effective footing; there will also be recurring expenditure amounting to about 800 rupees per month according to the degree of expedition necessary and the number of coolies employed (*vide* estimate attached). Our Agent's brother or other nominee could hardly be expected to incur the above expenditure without definite orders for oxide in quantities such that the proceeds will be sufficient to reimburse him. At present all we have in prospect is a probable request for a sample shipment of 500 tons by Messrs. Strick.

The latter pay 12*s*. 6*d*. per ton for the Hormuz oxide, and Messrs. Wönckhaus 15*s*. 6*d*. for the Abu Musa brand. If Messrs. Strick paid 15*s*. 6*d*. for 500 tons, the proceeds would be 7,750 rupees, which would barely cover the outlay if no further orders were received. If they paid even 25*s*. the proceeds would well cover the whole amount expended and give a margin of profit as well. The risk incurred by Government of ultimately losing money by giving a guarantee is therefore very small, and in any case we might reasonably arrange with the Sheikh that the money be reimbursed from the proceeds, if and when a new concession is granted. If, therefore, Messrs. Strick signify their willingness to take the 500 tons, as their local agent has advised, I recommend that I be authorized to instruct the Residency Agent's brother to go ahead, and to inform him that over this shipment he will be guaranteed against loss. I will undertake that expenses are supervised and kept down to the utmost.

I beg that this question may be given early consideration pending receipt of Messrs. Strick's reply from London, expected shortly.

6. If Messrs. Strick do not now want a sample—(their decision probably depends on what is passing between them and the Moin in regard to Hormuz)—then I think we might postpone the actual institution of fresh mining operations until some other demand for oxide is notified; but, in any case, I would ask the same authority to commence work through the Lingah Agent's brother when necessary, under the arrangement above suggested.

7. In view of the apparently bad reception of the "Louise's" cargo, it seems possible that Messrs. Wönckhaus may say that the quality of the accumulated oxide not now finding a market, they would be glad to have some of the freshly-mined article.

I presume that in that case we could assume that they had no further claim on the remainder of the accumulated oxide, and should inform Hassan Samaiyeh that he could either take it by a certain date or leave it.

We could then go on supplying Messrs. Wönckhaus or others with freshly-mined material under the above arrangement, until His Majesty's Government are in a position to recommend the grant of another Concession by the Sheikh of Shargah under our auspices.

8. The Residency Agent at Lingah reported on the 17th November that Abdulla-bin-Hassan Samaiyeh had been getting various religious luminaries to record their opinions in reply to some questions which had been submitted to them regarding the Abu Musa lease, and that Mr. Brown was endeavouring with considerable difficulty to make translations of the papers. Beyond this I have no special information as to action which the German firm may be taking locally in connection with the arguments which have been exchanged between ourselves and the German Government in this case.

Inclosure 3 in No. 25.

Dr. Listemann to Major Cox.

Bushire, le 18 *juin*, 1908.

M. le Résident,

J'AI l'honneur d'accuser réception de votre lettre en date du 8 de ce mois, par laquelle vous avez bien voulu m'informer de ce que votre Gouvernement vous a donné des instructions d'avertir le Cheikh de Chargah qu'il devait permettre l'enlèvement, par MM. Wönckhaus et Cie. de tout l'oxyde déjà miné et amoncelé sur l'Ile d'Abou Mousa. Je ne manquerai pas de vous avertir, comme vous en avez exprimé le désir, lorsque la maison Wönckhaus désire faire un autre chargement.

Je vous remercie en même temps d'avoir bien voulu m'informer de ce que l'appareil de chargement, &c., se trouve en lieu sûr sur l'Ile d'Abou Mousa.

En vous remerciant bien sincèrement du bienveillant concours que vous avez bien voulu me prêter jusqu'à présent, dans cette affaire, je vous prie, &c.

Le Consul Impérial d'Allemagne,
(Signé) H. LISTEMANN.

Inclosure 4 in No. 25.

ESTIMATE of Cost involved in starting efficient Mining Operations on Abu Musa Island.

	Initial.	Recurring.
	Rupees.	Rupees.
Hire of boat for plying from Lingah to Abu Musa to carry provisions, &c.	..	240 per month.
6 small lighters, at 400 rupees	2,400	
125 date mats from Minah for huts	125	
200 mats from Bussorah	80	
5 Kruzas chundals	60	
5,000 baskets	500	
4 bullock gharries	500	
5 bullocks	300	
15 donkeys	725	
40 coolies*	..	520
2 Tindals	..	40
1 Bhistie	..	40
25 crowbars, at 4 rupees; 25 spades, at 1 rupee	100†	
Miscellaneous expenses for fodder, &c.	110	
Total	4,900	840

(Signed) P. Z. COX.

No. 26.

Sir G. Lowther to Sir Edward Grey.—(*Received February* 8.)

(No. 65.)

Sir,

Pera, January 30, 1909.

I HAVE the honour to transmit to you herewith copy of a despatch dated the 5th ultimo, which reached me on the 28th of that month, from His Majesty's Consul at Bussorah reporting further cases of piracy on the Shatt-el-Arab, and the incompetence or reluctance of the local authorities to put an end to this state of things. Mr. Crow adds that the frequent instructions sent from Constantinople are disregarded, but though I was not very sanguine of good results, yet there is the hope that the more resolute character of the present Minister of the Interior, Hussein Hilmi Pasha, and the good intentions of the reformed Government of Turkey may make themselves felt in this long disordered corner of the Empire. In the meantime, I received a telegram on the 1st instant reporting an attack on the "Blosse Lynch," and I have the

* Number of diggers employable depends on expedition necessary and area of working space. At ordinary times twenty are sufficient.

† [*Sic* ? 125]

honour to inclose a despatch which has subsequently reached me recounting this incident. I accordingly approached Hilmi Pasha on the subject, suggesting that the Vali might be instructed to invite the co-operation of the Persian authorities of Mohammerah, &c.

His Excellency then sent detailed orders to the Vali of Bussorah, directing him to use all energy in preventing the occurrence of similar acts of violence, and authorizing him to seek the aid, when necessary, of the Persian authorities.

I have the honour to call your attention to my despatch No. 880 of the 22nd ultimo, reporting the departure of the Turkish gun-boats to patrol the Shatt-el-Arab. I trust that when these vessels reach their destination they will produce some effect.

I do not consider that it would be in any way opportune for His Majesty's Government to take any steps for policing the river, and whilst I am giving the question my most careful and constant attention, in the hope of attaining some real result when Hilmi Pasha has more thoroughly grasped the reins of office, yet I venture to think that people who follow their callings in the pursuit of gain in districts so notoriously ill-governed as are these extreme limits of the Turkish and Persian Empires should not forget in their calculations the risks which must inevitably surround them.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure 1 in No. 26.

Consul Crow to Sir G. Lowther.

(No. 89.)
Sir, *Bussorah, December 5, 1908.*

WITH reference to the last part of my telegram No. 62 and previous telegrams about river piracy, I have the honour to report the following authenticated recent cases of piracy on British sailing-vessels between Bussorah and Fao:—

1. The "Lucknipasa" of Jamshaya, which anchored near the custom-house at Abulkhassib, and was boarded on the night of the 22nd October by fifteen individuals in a bellem, who discharged their rifles at the crew, drove them below and took away 400 rupees in cash, clothes valued at 200 rupees, provisions and ship's instruments and papers. Vessel arrived at the Bussorah quarantine ground on the 23rd October, but was unable to report the attack till the 29th October, owing to quarantine Regulations.

2. The "Fateh Karch," of Karachi, while anchored in the creek opposite the custom-house at Abulkhassib, was attacked by a boatful of armed robbers at 1 A.M. on the 29th October. One man was wounded and 500 rupees cash and all the crew's effects taken. No assistance was rendered from the custom-house beyond firing a few guns in the air.

3. Dates (165 baskets), alleged value 1,155 rupees, loaded in a native lighter for Bussorah, and belonging to an Indian firm of Bombay, while lying at Ma'amer on the 31st October, were seized by seventy (*sic*) Arab robbers, who were dispersed after one hour by eighty riflemen of the Sheikh of Fao (*sic*). This account was given by the firm's Arab employés, and seems highly coloured, but the fact remains that 165 baskets of dates were taken at Ma'amer by river pirates.

4. The "Husseini," of Karachi, while anchored at Dora, was attacked by a boatful of twenty armed men at 2 A.M. on the 15th November, who boarded the vessel, killed two of the crew and threw them overboard, wounded another, and carried away 300 rupees cash, clothes, and cooking-pots. Case was not reported till the 30th November, presumably owing to quarantine Regulations.

These cases have all been reported officially to the authorities, but beyond asking a few questions at Fao and elsewhere, and dispatching a few policemen to make belated inquiries, nothing has been done. The Vali, indeed, sent me a message that the pirates came from the Persian side, and seemed to be under the impression that, if this were so, the attacks were no concern of his, even though they occurred in Turkish waters. It has been the same story for the last twelve years. My predecessor and I have suggested patrols, gun-boats, and other preventive measures

to no purpose. The distance from Bussorah to Fao is 57 miles. There are Turkish establishments at the following approximate intervals along this stretch:—

Sangar	7 miles	from Bussorah, a Turkish guard.
Abulkhassib	5 ,,	on a custom-house.
Abul-Fulus	1 mile,	on a Turkish guard
Zein	6 miles,	,, ,,
Es Sebha	12 ,,	,, ,,
Seniye	2 ,,	,, ,,
Dowasir	10 ,,	,, ,,
Fao	16 ,,	on a Kaimakamlik, and a Turkish guard.
	57 miles.	

It cannot be said that the Turkish side of the river is unprotected if the guards do their duty. But I am convinced that the police and soldiers at the guard houses either aid and abet the robbers, or at least take no trouble to prevent river piracy. I have discussed the question with every Vali and Acting Vali here during the past five years, and all screen themselves behind the alleged inefficiency of their subordinates. The authorities want thoroughly rousing to a sense of their responsibility in the matter, and the argument that the robbers come from the Persian side could be met by genuine co-operation with the Sheikh of Mohammerah, who is very powerful on the river, if the Vali would take the trouble to see that the existing posts are kept up to their full complement, and a constant patrol exercised by some responsible officials. At present the matter is left in the hands of the village mukhtars, and they are either in collusion with the robbers or too afraid of them to assist in checking the evil.

The frequent instructions sent from Constantinople are disregarded, or carried out in too perfunctory a manner to be of the slightest use. River piracy is on the increase, and the moral effect exercised by the presence of a British gun-boat in the river, if any, is wholly inadequate to have any practical result.

I have, &c.
(Signed) F. E. CROW.

Inclosure 2 in No. 26.

Consul Crow to Sir G. Lowther.

(No. 1.)
Sir, *Bussorah, January 2, 1909.*

WITH reference to my telegram No. 69 of the 29th December last, I have the honour to inclose a copy of Messrs. Lynch Brothers' letter reporting the attack on the "Blosse Lynch" on the 26th December.

I informed the authorities and drew the Vali's attention to the complete insecurity of the river. He states that he is doing all that is possible to protect navigation, and will try and find the offenders. Telegraphic orders have, he says, been sent to the Mutessarif of Amara and the Kaimakam of the Shatt in the above sense.

I have, &c.
(Signed) F. E. CROW.

Inclosure 3 in No. 26.

Messrs. Lynch Brothers to Consul Crow.

Sir, *Bussorah, December 27, 1908.*

WE have to report that the "Blosse Lynch," while at anchor on her downward voyage in the Abdulla ibn Alli reach, close to the tomb of the same name, was fired upon at 1 A.M. on the morning of the 26th instant. Four shots were discharged at close range, apparently from a mashuf which had crept alongside unperceived in the darkness, but which was afterwards seen making off in the distance. Two shots struck the ship, one having passed through the upper deck narrowly missing a native passenger, but we are happy to state that, with the exception of the deck having been splintered, no damage was done.

From the Commander's report we gather that robbery was the object of the attack. Twenty fathoms was cut out of the ropes mooring the vessel to the bank

but apparently the robbers were disturbed, as nothing further, as far as has yet been ascertained, is missing.

From this description it might be assumed that the incident, unattended as it was by any serious consequences, was of small moment, and with the object of correcting any such impression we would point out that the "Blosse Lynch," having been detained in the above reach for repairs until after sunset, was unable to proceed until daylight on the following day owing to the difficulty of navigating the narrow reaches ahead, and that in consequence she was absolutely at the mercy of the Arabs, had they chosen to push home the attack in great numbers. We would further venture to say that unless strong measures are taken by the authorities the Arabs will be encouraged to make similar attacks on our vessels whenever they are in future placed in a like predicament in this locality, which they may well be during any voyage.

Our present object is to request your kind services in drawing the attention of the local authorities to the matter, and in bringing pressure to bear on them to secure the speedy and severe punishment of all concerned in the attack. We are informed that two villages, one on either bank, are situated close to the spot where our vessel was anchored, so that no difficulty should be experienced in tracing the offenders, provided that immediate steps be taken.

We have, &c.
(For Lynch Brothers),
(Signed) REDFERN, *Agents*.

[5067] No 27.

Sir G. Lowther to Sir Edward Grey.—(*Received February* 8.)

(No. 67.)
Sir, *Constantinople, February* 2, 1909.

WITH reference to my despatch No. 813 of the 1st December last, I have the honour to forward herewith a despatch from His Majesty's Consul at Jeddah reporting on the disturbed state of the roads, &c., in the Hejaz.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure in No. 27.

Consul Monahan to Sir G. Lowther.

(No. 1.)
Sir, *Jeddah, January* 20, 1909.

WITH reference to my despatch No. 60 of the 18th November, 1908, relative to disturbances at Medina and Mecca, I have the honour to report what follows.

To my account of the engagement of the 1st November between Ottoman troops and Bedouins near Medina should be added that the Bedouins captured one gun, which they threw into a well, and also captured many rifles. The gun and rifles have been subsequently restored to the Turks (see below).

All through November and until about the 18th December desultory fighting went on between the troops and armed townspeople in Medina and the Bedouins outside. Reinforcements from the north consisting, I am informed, of about 3,000 men with six guns arrived in Medina during this period, the original garrison not having been more than 700. Perhaps on an average a man or two on either side was killed every day. Many small and indecisive sorties were made from the town. One sortie at the end of November was driven back into Medina with comparatively heavy loss, perhaps as many as twenty men on the Turkish side having been killed.

Several caravan robberies took place during this period on the Mecca–Medina and Yembo–Medina roads; also straggling pilgrims and others were being murdered by robbers, but that is not unusual. I have heard of one caravan of merchandize, consisting of 100 camels, having been entirely looted on the road between Rabigh and Medina in the early part of November.

On the 9th December the great pilgrim caravan of about 5,000 camels coming from Mecca was stopped at two hours' distance from Medina by Bedouins, who took between 500 and 700 camel-loads of the property of those pilgrims, mostly Javanese, who were a little ahead of the main caravan. I have heard of only thirty-

eight British subjects having suffered loss on that occasion, of whom eighteen, in a collective Petition to this Consulate, state that the caravan was fired upon by Bedouins, and the camel-men cut the ropes of the litters on the camels' backs and fled with their camels, leaving pilgrims and their belongings on the ground; that the thirty-eight British subjects were then and there robbed of all, the losses of the eighteen being estimated at 2,735 rupees, and the other twenty of the thirty-eight disappeared; and that they, the eighteen, returned to the coast in a destitute state, and were provided with a passage by sea to Jeddah and with food and some clothing by the Sheikh of Rabigh. The twenty missing British Indians reached Medina a day or two after the attack, and got back to Mecca with the Syrian "mahmal" on the 31st December, the day before the pilgrimage day, but have not yet communicated with this Consulate. I have duly, but so far without result, applied for the indemnity of 2,735 rupees for the eighteen. Sixty-two Javanese are reported to have reached Medina after this robbery in a destitute state, and to have been maintained there and sent back to Mecca by public subscription. The rest of the robbed pilgrims, with the exception of a few who may have died or been killed, appear to have joined the main caravan, which turned back, and on or about the 21st December reached Mecca. The number of killed and wounded in the above-related attack was small, but has not been precisely stated. I hear from good authority that three pilgrims in all were killed.

The Hejaz newspaper, the organ of freedom and Constitution, has made itself ridiculous by asserting, on the alleged authority of the Governor of Medina, that the caravan was never attacked at all, but got safely through to Medina.

From the 9th to the 18th December all communication between Medina and the coast was stopped, except that one merchandize caravan of 200 camels from Yembo got through by a little-used route, and about the 12th December reached a point on the railway a few miles to the north of Medina, and safely delivered the merchandize in that town.

The Syrian "mahmal" arrived at Medina from Damascus by rail on the 15th December, and between the 15th and 18th a peace was patched up between the Medina Turkish authorities and the Bedouins, the terms of which have not been published. The Bedouins gave up the gun and rifles taken on the 1st November, and on the 18th, peace having been concluded, the Syrian "mahmal," consisting of 600 or 700 camels, joined by 2,000 or 3,000 other camels bearing pilgrims, departed for Mecca, all the camels being hired from Medina Bedouins (including the insurgents) at very exorbitant rates for the Syrians and somewhat less but still exorbitant rates for the others. At two days' march from Medina the "mahmal" was attacked at a place called Masajid by Bedouins of the Ahamida sub-tribe of the Beni Salim tribe, two soldiers being killed. Heavy blackmail had to be paid, and the caravan had to make a détour from the regular route, losing at least a day. The Beni Salim are in general friendly to the Government (see my despatch No. 31 of the 15th July, 1908), but the Ahamida have a claim against the Government for arrears of allowances. The caravan was again fired upon at Wadi Fatima, near Mecca, but that is not unusual. It finally reached Mecca on the 31st December, as I have stated above.

The well-known Abdul Rahman Pasha has resigned his position of Amir (leader) of the Syrian "mahmal," which he has held for many years, and has come to Jeddah *en route* for Syria, a sufficient force, according to his views, not having been supplied for the return journey from Mecca to Medina, on which the "mahmal" is expected to start to-morrow under the leadership of Nasir Pasha, brother of the present Grand Shereef. There being only about 2,000 soldiers in Mecca, 200 in Jeddah, and 100 in Yembo, a large escort can hardly be supplied.

The Egyptian "mahmal" arrived here from Mecca on the 10th, and left on the 13th by sea for Elwejh, whence it will proceed through a country of northern Bedouins, supposed to be friendly, to the station Ula, on the Medina line, and thence by train to Medina, having lost confidence in the Yembo–Medina route, by which it has been going for the sake of safety for the last two years, before which time it used to go the whole way by land from Mecca to Medina.

The quarantine at Jeddah having been, four days ago, abolished, pilgrims are now going by sea to Yembo for Medina, though, as there is still, in spite of the peace, some doubt about the safety of the road, not as yet in great numbers.

The Jeddah–Mecca road has remained, on the whole, safe, but two Turkish officers travelling alone were fired at and robbed, one being killed and the other wounded, about half-way between Jeddah and Mecca, on the 10th instant.

The rising of the Bedouins near Medina would seem to be chiefly attributed to their dislike of the projected Medina-Mecca Railway, which would ruin their camel business. They, it seems, still talk of the railway as an unholy Frankish thing. They have also, as they have every year, claims against the Government for arrears of allowances.

I have, &c.
(Signed) J. H. MONAHAN.

[5071] No. 28.

Sir G. Lowther to Sir Edward Grey.—(Received February 8.)

(No. 71.)

Sir, *Pera, February* 1, 1909.

I HAVE the honour to transmit herewith copy of a Memorandum compiled by the British Delegate on the Ottoman Debt, in view of the interpellation which was to have been addressed to the Minister of Public Works in the Ottoman Chamber on the subject of the Bagdad Railway Concession.

Sir Adam Block presented this Memorandum to the Grand Vizier, who showed considerable alarm at the conclusions arrived at in it, and proceeded at once to consult with the Minister of Finance upon the question.

Meanwhile the interpellation, which was to have come up on Saturday, had to be postponed on account of the absence of both the Minister of Public Works and the Minister for Foreign Affairs from the Chamber.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure in No. 28.

Memorandum respecting the Bagdad Railway and the Surplus of the Ceded Revenues of the Debt Administration.

ARTICLE 7 of the "Décret-Annexe" of the 1st (14th) September, 1903, states:—

"Les excédents des recettes de la Dette Publique Ottomane au-dessus du chiffre de £T. 2,157,375 seront partagés entre le Gouvernement Impérial et la Dette Publique Ottomane dans les proportions suivantes: 75 pour cent au Gouvernement Impérial, 25 pour cent à la Dette Publique Ottomane.

"La part des 25 pour cent de la Dette Publique Ottomane dans les excédents ci-dessus indiqués sera appliquée à un amortissement extraordinaire des obligations de la Dette Convertie Unifiée, et des Lots Turcs."

Thus the whole of the surplus practically reverts to the Turkish Government, as the 25 per cent. applied to amortization of the Turkish Debt may also be said to revert to the Government.

The 75 per cent., however, is paid in cash to the Turkish Government at the end of the year.

The average estimated surplus of the ceded revenues of the Debt Administration may be taken at £T. 500,000 (taking into account that the Eastern Roumelian annuity is no longer forthcoming), of which 75 per cent., or £T. 375,000, reverts annually in cash to the Turkish Government.

Of this £T. 375,000, the sum of £T. 124,059 is assigned for the service of the 4 per Cent. Loan of 1904, leaving a balance of £T. 250,941 annually available for the Turkish Government.

Out of this, £T. 15,000 is at present annually due to the Public Debt Administration for the increase of the reserve.

There is thus an average estimated annual sum of £T. 235,941 which reverts to the Turkish Government from their share in the surplus revenue of the Debt.

There exist to-day floating charges on the Government's share in the surplus amounting to £T. 1,190,902, of which £T. 200,000 will be paid out of the proceeds of the new loan and £T. 300,000 only payable after the annuity of the Bagdad Loan, second series, and may therefore be deducted, leaving £T. 690,902. These floating charges will be paid off in about three years and a-half.

According to the Decree of Muharrem, any increase in the customs revenues is ceded to the Debt Administration for the bondholders. The other ceded revenues being sufficient for the service of the Debt, all new revenues produced by an increase of the customs will go to increase the surplus, and will therefore (as long as the other revenues suffice for the service of the Debt) be divided between the Government and the Debt, 75 per cent. for the former, and 25 per cent. for the latter for extraordinary sinking fund of the Debt.

When the 3 per cent., however, was agreed to by the Powers, the Government's share in that part of the surplus of the Debt revenues produced by the increased 3 per cent. was set apart for a specific purpose, namely, to cover the deficit in the Macedonian Budget.

In round figures, the 3 per cent. gives to-day £T. 800,000. (It could with a reformed and reorganized Customs Administration give a good deal more.)

Seventy-five per cent. of this, namely, £T. 600,000, is paid to the Macedonian Commission, and 25 per cent. is applied to the extraordinary sinking fund of the Debt.

The position is thus as follows:—

Surplus of ceded revenues, say £T. 500,000, of which 75 per cent. is paid to Government, namely, £T. 375,000, less £T. 124,059 annuity of Loan of 1904, and less £T. 15,000 for Debt reserve fund, leaving £T. 235,941 to Government per annum.

Surplus produced by 3 per cent., £T. 800,000, of which Government's share of 75 per cent., namely, £T. 600,000, is applied to Macedonia.

All further increase of customs dues has to be paid to Debt Administration under the Decree of Muharrem, and 75 per cent. reverts to Government.

Supposing that the duties are increased by 4 per cent., bringing the total duty to 15 per cent., this would produce, say, £T. 1,070,000, and, if the Customs Administration is reorganized, perhaps 20 per cent. more, namely, in all, £T. 1,284,000, of which 75 per cent. again reverts to the Government in cash. This sum of £T. 963,000 would be available for services of a new loan were it not that the Turkish Government has signed a Convention with the Bagdad Railway Company, which I shall now proceed to explain.

I inclose for reference "Extrait du Procès-verbal No. 63" of the Debt Council, containing the deliberations of the Council, the "Convention Additionnelle" of the Bagdad Railway of the 2nd June, 1908, and the contract of the loan of the Bagdad Railway, series 2 and 3, of the same date.

Article 9 of the contract stipulates that the Government shall assign, "d'une manière exclusive et irrévocable," the sums of £T. 200,000 for the second series and £T. 220,000 for the third series, to be taken from the surplus of the ceded revenues (the product of the 3 per cent. being excepted). (In case of insufficiency other revenues are assigned.)

Thus already the Government is engaged to pay £T. 420,000 per annum.

I have shown that the Government's share in the average annual surplus is to-day only £T. 235,941, and as there are floating charges yet to be paid off it is only in 1913 that this will be available.

The Government cannot therefore to-day pay the annuities of £T. 200,000 and £T. 220,000 out of the surplus; and if the Germans construct the four sections, as specified in the contract of the 2nd June, the Government will have to find the money from the Aghnam of the Vilayets of Konia, Adana, and Aleppo, since the other supplementary guarantees specified in Article 9 are not available, and will not be available for years to come, if ever. (The interest of series 2 is running and the drawings are taking place. The Railway Company is paying the interest.)

But as soon as the surplus is available it must, under the contract, go to the service of the construction loans of the four sections. If, then, in the meantime, the customs duties are increased, the product of the increased duties, which becomes surplus of the Debt revenues—or, rather, the 75 per cent. which belongs to Government of the increased surplus—must be applied to the service of the construction loans of the four sections, unless the increased duties are excepted by a new arrangement and at the moment when agreed to by the Powers it is expressly stated that the Government's share in the product of the increased duties shall be applied to a specific object, as was the case with the 3 per cent.

But this is not all. In the "Convention Additionnelle," paragraph 2, it is stated explicitly that "l'excédent des revenus concédés à la Dette Publique ayant été affecté au prolongement de la ligne de Bagdad," &c. This general statement does not apply

to the four sections, but to the whole line, and will therefore apply to the remaining five sections from Helif onwards.

This general condition, which is confirmed by the letter of the Ministry of Finance to the Debt (p. 1 of "Extrait du Procès-verbal") means that even when the £T. 420,000 is available from the Government's share in the surplus of the Debt revenues all further surpluses will be applied to the remaining five sections—or, in other words, a further sum of, say, £T. 550,000 will have to come out of the Government's share in the surplus.

To-day £T. 420,000 are required annually and there is only £T. 235,941 available, and that only after payment of floating charges on the surplus—namely, it will be available in 1913 only.

After that the Government's share in the surplus, as it increases, will go to provide the balance of the £T. 420,000, namely, £T. 184,059, and then for the £T. 550,000 for the remaining five sections—a total of £T. 734,059.

Supposing the increased customs duties give, as above shown, £T. 1,284,000; of the Government's share of £T. 963,000, the sum of firstly £T. 184,059 for the four sections, and secondly £T. 550,000 for the remaining five sections, or in all £T. 734,059, will have to be deducted for the railway construction loans, leaving only £T. 228,941 for the Government from the increased duties, to be applied to a new loan, or to cover ordinary current expenditure, unless some arrangement is come to with the Bagdad Railway Company.

There is still another point in the "Convention Additionnelle" which again affects the surplus revenues to the prejudice of the Government, and prevents the latter from the free usufruct of any increase in the new duties. Paragraph 3 states: "Quant aux frais d'exploitation, ils seront garantis en premier lieu par les recettes brutes de ces 840 kilom., étant entendu que si les recettes brutes de cette ligne étaient inférieures au chiffre de 4,500 fr. par kilom." (which they must be for years to come) "stipulé à l'Article 35 de la Convention de Bagdad, la différence qui sera constatée à la fin de l'année sera réglée, elle aussi, sur l'excédent des revenus concédés à la Dette Publique Ottomane affecté à la garantie de la ligne, si le dit excédent y suffit, et dans le cas contraire la différence sera, de même que l'insuffisance de la garantie, comblée par les premières recettes des Aghnamis des trois vilayets en question de l'année suivante."

This means that, assuming that the gross receipts do not attain 4,500 fr. per kilometre, and only attain, as is probable for the present, 2,500 fr. per kilometre, the Government must find the balance out of the surplus of the ceded revenues. For the four sections this means 1,680,000 fr., or £T. 73,020, and for the remaining five sections 2,000,000 fr., or £T. 88,000, or in all £T. 161,920, which has again to come out of the surplus revenues of the Debt, and the Government's share in the increase in the customs, originally £T. 963,000, of which I have shown only £T. 228,941, is already left, will be further reduced to £T. 67,021, unless an arrangement is come to with the Bagdad Railway, on the ground that the assignment at this moment to the railway annuities of the new customs revenues will so cripple the finances and render reform so problematical, that the very existence of the country is in danger. I have left out of the question altogether any possible normal increase of the ceded revenues, since there would seem to be a tendency for these revenues to decrease for the moment, owing to the effects of the last two harvests and to the contraband in salt and tobacco. These are passing and temporary difficulties, but it is not prudent to count upon any immediate increase in the six revenues.

January 20, 1909.

[5289] No. 29.

Sir G. Lowther to Sir Edward Grey.—(Received February 8.)

(No. 44.)
(Telegraphic.) P. *Constantinople, February* 8, 1909.

SHEIKH SHAWASH.

With reference to your telegram No. 64, there is no question, I am assured both by the Minister of Public Instruction here and by the Sublime Porte, of any such appointment being made.

[5946] No. 30.

Sir Edward Grey to Sir F. Bertie.

(No. 80.)
Sir, *Foreign Office, February* 10, 1909.

M. CAMBON then said that the reception of the King appeared to be good in Berlin, and the speeches were excellent. He thought Germany would now propose something to us, but he did not know what. Possibly it might be about the Bagdad Railway.

I told him we should be quite willing to discuss the Bagdad Railway on the terms I had previously indicated. I had been approached recently by one or two British financiers who had been in communication with German financiers. They had asked me whether the British Government were prepared to favour negotiations with Germany about the railway. I had always replied that we were prepared to do so on proper terms, provided there were negotiations *à quatre* between France, Germany, Russia, and ourselves. The difficulty lay in the Russian Government. I had not, however, had any proposal about anything from Berlin.

I am, &c.
(Signed) E. GREY.

[5670] No. 31.

India Office to Foreign Office.—(Received February 11.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Viscount Morley, forwards herewith, for the information of the Secretary of State, copy of inclosures in a letter from the Foreign Secretary to the Government of India, dated the 7th ultimo, relative to the navigation of the Tigris above Bagdad by British vessels.

India Office, February 10, 1909.

Inclosure 1 in No. 31.

Lieutenant-Colonel Ramsay to Government of India.

Sir, *Bagdad, December* 15, 1908.

I HAVE the honour to submit, for the information of the Government of India, a copy of my despatch dated the 15th December, 1908, which I have addressed to His Britannic Majesty's Ambassador at Constantinople.

2. The last reference to this subject is my letter dated the 2nd November, 1908.

I have, &c.
(Signed) J. RAMSAY, *Lieutenant-Colonel, Political Resident in Turkish Arabia and His Britannic Majesty's Consul-General, Bagdad.*

Inclosure 2 in No. 31.

Lieutenant-Colonel Ramsay to Sir G. Lowther.

Sir, *Bagdad, December* 15, 1908.

IN continuation of my despatch dated the 2nd November, 1908, I have the honour to report, for your information, that on the 6th December, 1908, the "Comet" went on the Tigris to a place called Talibiya, about six steaming hours above Bagdad.

2. The vilayet authorities wished to have Sir William Willcocks' opinion on the best method of mending some breaches in the river bank, and the "Comet" was used as the most convenient method of conveyance. The party on board consisted of the

Vali, the Nakib, the Nazir of the Aucaf Department, and Isa Effendi Jamilzada, in addition to Sir William Willcocks, some of his engineers, and myself. It did not seem to occur to any one that there was any reason to question the right of the "Comet" to go above Bagdad.

I have, &c.
(Signed) J. RAMSAY, *Lieutenant-Colonel, Political Resident in Turkish Arabia and His Britannic Majesty's Consul-General, Bagdad.*

[5707] No. 32.

India Office to Foreign Office.—(*Received February* 11.)

Sir, *India Office, February* 10, 1909.

IN reply to your letter dated the 29th ultimo, as to the attitude of the Persian Government on the question of the status of Bahrein, I am directed by Viscount Morley to inform you that he concurs in the proposal of the Secretary of State for Foreign Affairs to approve the action of His Majesty's Minister at Tehran in returning the Mushir-ed-Dowleh's note of the 9th April, 1908, and to defer until a more opportune moment the further discussion of this subject with the Persian Government.

I am, &c.
(Signed) A. GODLEY.

[4807] No. 33.

Foreign Office to India Office.

Sir, *Foreign Office, February* 12, 1909.

I AM directed by Secretary Sir Edward Grey to acknowledge the receipt of your letter of the 3rd instant respecting the Abu Musa Oxide question.

In reply to the inquiry contained in the second paragraph of that letter, I am to state, for the information of Viscount Morley, that Sir E. Grey does not consider that much advantage would be gained by approaching the German Government on the subject at once, unless Messrs. Strick desire soon to begin purchasing oxide from Abu Musa.

Such a step on the part of that firm appears, however, to Sir E. Grey to be unlikely until they have prospected on Dalmah, &c., as the oxide on Abu Musa is of poor quality, and the market is at present overstocked.

I am, &c.
(Signed) LOUIS MALLET.

[4844] No. 34.

Foreign Office to Messrs. Ellinger and Co.

Gentlemen, *Foreign Office, February* 12, 1909.

I AM directed by Secretary Sir Edward Grey to acknowledge receipt of your letter of the 18th ultimo, inquiring whether His Majesty's Government would sublet the Island of Abu Musa, including mining rights thereon, to the Moin-ut-Tujjar or to your firm.

In reply, I am to inform you that the Island of Abu Musa is owned by the Sheikh of Shargah, a Trucial Chief under British protection; that His Majesty's Government hold no lease of the island; and that there is no question at present of granting any permanent Concession of the mines.

I am, &c.
(Signed) LOUIS MALLET.

[6022] No. 35.

Sir G. Barclay to Sir Edward Grey.—(*Received February* 15.)

(No. 10.)
Sir, *Tehran, January* 22, 1909.

IN my despatch No. 316 of the 19th ultimo I reported that, finding myself unable to persuade the Persian Government to substitute a less objectionable note for that of the 9th April, 1908, in which the Persian claim to sovereignty of Bahrein was reasserted, I had returned the latter to the Minister for Foreign Affairs as inadmissible.

I now have the honour to inform you that on the 2nd instant Meftah-es-Sultaneh, late chief of the English section at the Ministry for Foreign Affairs, called on me on behalf of Ala-es-Sultaneh to say that if I would withdraw my note returning the objectionable communication the Persian Government would now send me in substitution for the latter an amended note in the sense desired. He said that if I did not see my way to accept this arrangement the Persian Government would be obliged to send a strong reply to my note. This would have raised the general question of Bahrein, for which the moment is clearly inopportune, and I therefore accepted the proposed arrangement.

I have the honour to transmit a translation of the amended note which I have now received from the Minister for Foreign Affairs.

I have, &c.
(Signed) G. BARCLAY.

Inclosure in No. 35.

Saad-ed-Dowleh to Sir G. Barclay.

(Translation.)
Your Excellency, *Tehran, January* 12, 1909.

IN answer to the respected note of the 30th March, 1908, respecting a certain Bahreini at Lingah, I have the honour to state that by referring to previous notes of the Foreign Ministry regarding the Island of Bahrein and its inhabitants you will be quite enlightened as to the arguments of the Persian Government; but as every endeavour has always been made for the administration of justice and the inquiry into the claims of persons who are wronged; at that same time strong telegraphic instructions were issued, and it is evident that the Persian Government officials will not fail in the necessary endeavours for the administration of justice.

I avail, &c.
(Signed) SAAD-ED-DOWLEH.

[6102] No. 36.

Sir G. Lowther to Sir Edward Grey.—(*Received February* 15.)

(No. 84.)
Sir, *Constantinople, February* 9, 1909.

I HAVE the honour to forward herewith a despatch from His Majesty's Consul at Damascus, reporting on the damage done to the Hedjaz Railway by Bedouin Arabs.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure in No. 36.

Consul Devey to Sir G. Lowther.

(No. 9.)
Sir, *Damascus, January* 28, 1909.

I HAVE the honour to report that some Bedouin raiders, while crossing the Hedjaz Railway at Anezeh station, 20 miles north of Maan, cut the telegraph wire, robbed the station, and damaged the line. The line, however, was at once reopened,

and telegraphic communication restored; but the station-master disappeared and is nowhere to be found. It is believed that the marauders are of the Howeitat tribe.

The incident is of small importance, save for its occurring in the winter-time when few such disturbances take place.

I have, &c.
(Signed) G. P. DEVEY.

[6103] No. 37.

Sir G. Lowther to Sir Edward Grey.—(Received February 15.)

(No. 85.)
Sir, *Constantinople, February 9, 1909.*

WITH reference to my despatch No. 861 of the 16th December last, I have the honour to forward herewith despatches from His Majesty's Consul at Bussorah reporting on the condition of affairs at Wakra.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure 1 in No. 37.

Consul Crow to Sir G. Lowther.

(No. 87.)
Sir, *Bussorah, December 1, 1908.*

IN continuation of my despatch No. 85 of the 20th ultimo on the subject of Wakra, I have the honour to report that, in reply to my representations, the Vali informs me that he has already received the petitioners from the Al-bu-Ainain and directed them to apply to the Mutessarif of Hassa for assistance, that he has also written to the Mutessarif on the subject, and that, should Jasim-bin-Thani pay no heed, he would do what is required. His Excellency also said that these people were Ottoman subjects and entitled to his protection.

As the Vali is new I have had the position carefully explained to him, and told him that interference cannot be allowed. I inclose copy of a letter which I addressed to him to-day on the subject, on the basis of Sir N. O'Conor's telegram to this Consulate dated the 9th March, 1903.

Your Excellency may see fit to cause fresh instructions to be issued to the Vali in the matter.

I have, &c.
(Signed) F. E. CROW.

Inclosure 2 in No. 37.

Consul Crow to the Vali of Bussorah.

Sir, *December 1, 1908.*

I AM informed that certain people of the Al-bu-Ainain, inhabitants of Wakra, on the Katr Coast, have applied to your Excellency for protection and assistance. I have the honour to remind your Excellency that His Majesty's Government do not recognize Turkish sovereignty on the El Katr Peninsula, and that interference cannot be allowed there.

In accordance with instructions issued to the Vilayet of Bussorah by the Sublime Porte, the Vali directed the Mutessarif of Hassa, in letters dated the 27th May, 1320, and the 22nd July, 1320, to abolish the Mudiriet of Wakra, and not to interfere with that district.

The Mutessarif of Hassa replied to the Vali, in a letter dated the 2nd September, 1320, that the orders of the Imperial Ottoman Government had been communicated to Sheikh Abdul Rahman at Wakra.

I have therefore the honour to request your Excellency to give no assistance to the petitioners from Wakra.

I have, &c.
(Signed) F. E. CROW.

Inclosure 3 in No. 37.

Consul Crow to Sir G. Lowther.

(No. 91.)
Sir, *Bussorah, December 11, 1908.*

IN continuation of my despatch No. 90 of the 8th instant, I have the honour to transmit herewith a further communication on the subject of Wakra received from the Bahrein Agency, and forwarded to me by the British Resident at Bushire.

I have, &c.
(Signed) F. E. CROW.

Inclosure 4 in No. 37.

Mr. Lobo to First Assistant Resident, Bushire.

Sir, *Bahrein, December 3, 1908.*

IN continuation of my letter of the 14th November, I have the honour to report that Ahmed-bin-Khatar Al-bu-Ainain has now returned from Bussorah.

It is believed that he has brought two letters from the Vali of Bussorah, one to the address of the Turkish Commander of the Doha Garrison, with instructions to establish a military post at Wakra for the protection of the Al-bu-Ainain tribe there, and the other to the address of Sheikh Jasim-bin-Thani, contents of which are not yet known.

Further inquiries are being made into this matter to get at the real facts, and the result will be communicated to you in due course.

Ahmed-bin-Khatar has since left for Jeddah on a pilgrimage.

I have, &c.
(Signed) D. N. LOBO, *Head Clerk.*

Inclosure 5 in No. 37.

Consul Crow to Sir G. Lowther.

(No. 3.)
Sir, *Bussorah, January 15, 1909.*

IN continuation of my despatch No. 91 of the 11th ultimo, I have the honour to transmit herewith a further communication and inclosure on the subject of Wakra, received from the British Resident at Bushire.

I have, &c.
(Signed) F. E. CROW.

Inclosure 6 in No. 37.

Major Cox to Consul Crow.

Sir, *Bushire, January 7, 1908.*

WITH reference to the correspondence regarding Wakra affairs, ending with your letter dated the 8th December, 1908, I have the honour to forward, for your information, a copy of a later report received from the Head Clerk in charge at Bahrein.

Major Prideaux has since returned from leave, and will keep himself and me informed of anything further that transpires locally.

I have, &c.
(Signed) P. Z. COX, *Major,*
Political Resident in the Persian Gulf.

Inclosure 7 in No. 37.

Mr. Lobo to First Assistant Resident, Bushire.

Sir, *Bahrein, December 12, 1908.*

WITH reference to my letter dated the 3rd December, 1908, I have the honour to report that, during his stay in Manama three members of the Al-bu-Ainain

tribe of Wakra Katar visited Mahir Pasha, Mutessarif of Hassa, and informed him that their tribe had arrived at an amicable and satisfactory settlement with Sheikh Jasim-bin-Thani, and that they had no fears now of being further molested by the Maadhidh tribe. The Mutessarif replied that he was very glad to hear that the tribe had amicably settled with the Bin Thani family, and that the settlement was accepted by him. He said henceforth the tribe was under the Turkish protection, and told them that if they were again oppressed by the Bin Thani family they should at once report the matter to him in Hassa, to enable him to take prompt action against the oppressors. He gave a letter to the visitors for their Headman to the above effect.

From the above interview, it is generally inferred that the Al-bu-Ainain are not now anxious for the establishment of a Turkish military post in Wakra, and likewise that the Mutessarif will not at present press the matter any further.

I have, &c.
(Signed) D. X. LOBO, *Head Clerk,*
Political Agency, Bahrein (in charge, current duties).

[5707] No. 38.

Sir Edward Grey to Sir G. Barclay.

(No. 17.)
Sir, *Foreign Office, February* 16, 1909.

I HAVE received your despatch No. 316 of the 19th December, 1908, stating that you do not propose to press further for an amended note on the Bahrein question, and that you have returned Mushir-ed-Dowleh's note of the 9th April, 1908, as being altogether inadmissible.

Your action in this matter is approved by His Majesty's Government.

The Persian Government should, however, clearly understand that His Majesty's Government in no way depart from their attitude as explained in Mr. Marling's note of the 30th March, 1908, and that the question will be raised again when an opportunity presents itself.

I am, &c.
(Signed) E. GREY.

[7048] No. 39.

Sir G. Lowther to Sir Edward Grey.—(Received February 22.)

(No. 100.)
Sir, *Pera, February* 14, 1909.

I HAVE the honour to transmit herewith copy of a despatch from His Majesty's Consul-General at Beirout reporting on the refusal of Moslem students at the Syrian Protestant College there to attend the compulsory religious services and classes of the college.

This is only one of many indications of insubordination throughout the country. It is perhaps even more remarkable that the Moslems have for such a long time submitted to attending Christian services. The college can have on right to enforce Christian doctrines on Moslems, but they have the right, and will use it, to withhold certificates and diplomas from those who have omitted to attend the classes, and the Moslems will suffer, as they will not get the cheap and good education they at present benefit by. This will be a test case for the very numerous missions that exist throughout Syria and Asia Minor.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure in No. 39.

Consul-General Cumberbatch to Sir G. Lowther.

(No. 12.)
Sir, *Beirout, February* 4, 1909.

WITH reference to my telegram of the 26th, and your Excellency's reply of the 27th ultimo, on the subject of the incident at the Syrian Protestant College at Beirout, I have the honour to submit the following more detailed report:—

About the middle of January the Moslem students of the college, 127 in number, presented a protest to the Acting Principal, the Rev. Dr. G. E. Post, against their

compulsory attendance at the daily religious services and classes, and demanded that they should be exempted from such attendance.

The reply of Dr. Post was a decided refusal to alter the fundamental regulations of the college.

The students then declared their intention of abstaining from attending, and of refusing to leave the college.

In the meantime they aired their grievances in the local press, their arguments being the following:—

1. The action of the college, which compels its Moslem students to attend the religious services and to be taught Christian dogmas, is not consistent with its preachings regarding religious toleration, and is not in accordance with the principles of religious liberty existing all over the world, and especially in America.
2. The college authorities had no right to elaborate and enforce regulations that were not approved by the Government of the country.
3. The college, though American, should submit to the laws of the Ottoman Empire.
4. It was not right that students who have spent several years at the college, and have still a year or two left to complete the collegiate course, should be compelled to choose between betraying their religion or leaving.

The argument on the side of the college is that at the time of entering the students were fully aware of the rule, and that if they do not want to abide by it any longer they are free to leave.

All efforts to induce the students to return to their religious classes and to attend the daily services failed owing to their having taken a solemn oath on the Koran to abstain and also to resist expulsion by force. Not only were they supported by their parents or guardians in the town, who had taken up the cudgels on their behalf, but there was an unmistakable disposition on the part of the local authorities to side with them.

After very serious consideration of the critical position, in consultation with several of the heads of American mission schools in this neighbourhood, and with the American Consul-General and myself, the Faculty of the college sent a long telegraphic report to their Board of Trustees in New York asking for instructions. The reply was not to give in and to act locally as they thought best pending the return of the principal, Dr. Howard Bliss.

In view of the unsettled state of the country and the unmistakable signs of the awakening of the anti-Christian feeling, for which the Moslems of this town are notorious, the Faculty have been well advised in abstaining from the forcible expulsion of their recalcitrant students, as, even if special orders were procurable from Constantinople to the Governor-General to take measures to prevent reprisals on the college, it is more than doubtful whether he would be able to prevent an outbreak of fanaticism.

Up to the present three students have been removed by their parents, presumably in response to a circular letter from the Faculty asking to do so if they approved of their sons' conduct, or to make them obey the rule if they did not countenance their insubordinate conduct.

The little help I have personally been able to lend in this matter has been, through two British Indian post graduates who have taken a leading part in the movement, to counsel a calm attitude towards the college authorities inside and abstention from courting outside manifestations of sympathy. I have also used my influence in Moslem circles to prevent an active interference on the part of the inhabitants.

If, as is expected, the students on the one side and the college authorities on the other maintain their present resolute attitude, it will be very difficult for Dr. Howard Bliss to effect a satisfactory compromise, and in any case the question of the attendance of Moslem school-children at Christian religious services and classes, whether voluntarily or under compulsion, having been once raised, will not be dropped in Moslem circles, and as the campaign that is to be reasonably foreshadowed will affect the numerous British schools in Syria and Mount Lebanon, and ultimately those all over the Ottoman Empire, I have thought your Excellency would be interested to know the present position of the question at the American college.

I have, &c.
(Signed) H. A. CUMBERBATCH.

[7336] No. 40.

India Office to Foreign Office.—(Received February 23.)

THE Under-Secretary of State for India presents him compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Viscount Morley, forwards herewith, for the information of the Secretary of State, copy of inclosure in a letter from the Foreign Secretary to the Government of India, dated the 14th ultimo, relative to affairs at Katif.

India Office, February 22, 1909.

Inclosure in No. 40.

Major Cox to Government of India.

(Confidential.)
(Telegraphic.) P. *Bushire, December* 9, 1908.

IN connection with the correspondence ending with my letter dated the 13th September, 1908, regarding affairs at Katif, I have the honour to report that, on the 1st instant, on Sheikh Mubarak's return to Mohammerah from the Sheikh of Mohammerah's base of operations on the Karun where he and a few retainers had been staying with his friend Sheikh Khazal (*vide* the weekly diaries of this Residency), Mr. McDouall visited him, and as it seems of interest, I beg to communicate the following note of what passed.

2. Mr. McDouall understood Sheikh Mubarak to say that the Wali of Bussorah had just sent a confidential messenger to him to say that he had instructions from Constantinople to give Mubarak the Governorship of Katif and Al Hasa; that it was not necessary for Sheikh Mubarak to go to Al Hasa himself—he was at liberty to depute his son, but that the Porte were desirous that he should take over the districts. Mubarak replied that while anxious to show his friendship (sidaqch) to the Turkish Government, it was quite impossible for him to undertake such a task, and he had no one to send, his sons being fully engaged at Koweit owing to his own frequent absences from home.

The messenger then proceeded to make inquiries about the Sheikh of Mohammerah and Sheikh Mubarak's relations with him, especially alluding to the expedition which the former had just concluded. Sheikh Mubarak states that he replied that he had simply been on a friendly visit to Sheikh Khazal, taking only ten of his servants with him; that Khazal was busy by day but he (Mubarak) used to go out hunting during the day (the sport being good in the surrounding country), and to spend his evenings and leisure moments with his friend.

[7620] No. 41.

Messrs. E. Ellinger and Co. to Foreign Office.—(Received February 25.)

Sir, 28, *Oxford Street, Manchester, February* 24, 1909.

WE have to acknowledge receipt of your letter of the 12th instant, from which we note that the Island of Aba Musa is owned by the Sheikh of Shargah, a Trucial Chief under British protection, and that His Majesty's Government hold the lease of the island, and that there is no question at present of granting any permanent Concession of the mines; and we have passed on this information to the Mouin-ut-Tujar.

This gentleman now asks us whether it would be agreeable to His Majesty's Government if he entered into negotiations with the Sheikh of Shargah with a view of getting the Concession for the working of the oxide mines on this island; and, if so, whether you would write in this sense to His Majesty's Minister at Tehran, so that the Mouin-ut-Tujar could discuss the matter with the Legation before commencing negotiations with the Sheikh. We shall be glad to hear from you on the subject.

Yours, &c.
(Signed) ELLINGER AND Co

[7935] No. 42.

Sir G. Lowther to Sir Edward Grey.—(Received February 28.)

(No. 67.)
(Telegraphic.) P. *Constantinople, February* 28, 1909.

THE Bagdad Railway came up for discussion in the Chamber yesterday, in the course of which the Convention was violently criticized by several Deputies; the Acting Minister for Foreign Affairs, however, defended the Company, and his explanations were accepted by the Chamber as satisfactory.

The question of Koweit was also touched on by a Deputy, who expressed the conviction that His Majesty's Government, who show such sympathy for Turkey, will be willing to settle the question in a manner favourable to Turkey, seeing that Koweit is undeniably an integral part of the Turkish Empire, as guaranteed by the Treaty of Paris. The reply of the Acting Minister for Foreign Affairs was to the effect that it was not necessary to deal with this question, as the terminus of the Bagdad Railway had not yet been decided on.

[7935] No. 43.

Sir Edward Grey to Sir G. Lowther.

(No. 149.)
(Telegraphic.) R. *Foreign Office, March* 2, 1909.

YOUR telegram No. 67 of the 28th ultimo: Bagdad Railway.
Please send home detailed report of debate by despatch.

[7620] No. 44.

Foreign Office to India Office.

Sir, *Foreign Office, March* 4, 1909.

WITH reference to your letter of the 4th ultimo, I am directed by Secretary Sir E. Grey to transmit to you, to be laid before the Secretary of State for India, the accompanying copy of a further letter which has been received from Messrs. Ellinger in regard to the Red Oxide Concession on the island of Abu Musa.*

Sir E. Grey proposes, subject to the concurrence of Lord Morley, to point out to Messrs. Ellinger in reply that they inaccurately quote the letter addressed to them from this Department on the 12th ultimo, which stated that His Majesty's Government hold no lease of the island; that His Majesty's Government would not favour the course to which they refer, as the question of the Abu Musa mines is at present *sub judice*, and that in any case they would be opposed to a Concession for the mines on Abu Musa being granted to a Persian subject. He would add that Abu Musa, not being Persian territory, does not come under the province of His Majesty's Minister at Tehran, but under that of the British Resident in the Persian Gulf.

I am, &c.
(Signed) LOUIS MALLET.

[8887] No. 45.

Sir G. Lowther to Sir Edward Grey.—(Received March 8.)

(No. 123.)
Sir, *Pera, February* 25, 1909.

IN my despatch No. 77 of the 6th instant I had the honour to forward to you a detailed account of the disturbances in Mosul at the beginning of January. I had

* No. 41.

drawn the attention of the Porte to the telegraphic accounts of the matter which I had received from His Majesty's Consul in that town, and on Monday last the Grand Vizier, Hussein Hilmi Pasha, informed me that all was now quiet at Mosul and in the province.

I have, &c.
(Signed) GERARD LOWTHER.

[8897] No. 46.

Sir G. Lowther to Sir Edward Grey.—(Received March 8.)

(No. 134.)
Sir, *Constantinople, February 26, 1909.*

WITH reference to my despatch No. 61 of the 29th ultimo, I have the honour to forward herewith a despatch from His Majesty's Consul at Damascus, reporting intertribal fighting in Nejd.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure in No. 46.

Consul Devey to Sir G. Lowther.

(No. 10.)
Sir, *Damascus, February 16, 1909.*

WITH reference to my despatch No. 4 of the 19th ultimo, I have the honour to report that Ibn Rashid succeeded in drawing to his side and making an alliance with the Harb tribe of the Hedjaz. Ibn Saoud, on being informed of this, led an expedition against that tribe to punish them for intriguing with his rival, and engaged them at three days' journey distance east of Medina, inflicting upon them a severe defeat, and carrying away a rich booty. In the meantime, Ibn Rashid, to pay out his rival, attacked the Muteir tribe, friends of Ibn Saoud, at two days' journey from Bureideh, in Kassim, and caused to them very great losses.

The two Emirs are preparing to meet each other in battle, but do not appear very anxious to do so, and would be glad to shirk a bloody encounter.

I have, &c.
(Signed) G. P. DEVEY.

[8899] No. 47.

Sir G. Lowther to Sir Edward Grey.—(Received March 8.)

(No. 136.)
Sir, *Constantinople, February 26, 1909.*

I HAVE the honour to forward herewith a despatch from the Military Attaché to this Embassy, reporting on the military preparations being made with a view to keeping order in the Hedjaz and the Hauran and amongst the Druses.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure in No. 47.

Colonel Surtees to Sir G. Lowther.

(No. 12.)
Sir, *Constantinople, February 26, 1909.*

I HAVE the honour to inform you that preparations are being made for dealing severely with the Bedouins, who for some time have been molesting the Hedjaz railway line, especially in the neighbourhood of Medina.

According to trustworthy information that has reached me, a force of some eight battalions is expected to arrive at Beirut for the above purpose as well as for quelling disturbances in the Hauran and keeping order amongst the Druses.

On or about the 9th February the steam-ship "Abdul Kader" arrived at Alexandretta with war matériel, including 2,882 boxes containing rifles and ammu-

nition, which, with the exception of 1,377 sent on to Beirut, were landed and forwarded to Aleppo.

The steam-ship "Abdul Kader" went on from Alexandretta to Beirut, and, on or about the 15th February, two trains were being formed there to take on the above-mentioned matériel to Damascus.

The rifles, although packed in old cases which are said to have previously contained Martini-Henry rifles and to have been marked accordingly, are confidently stated to have been Mausers, and to have numbered in all 32,000.

I have, &c.
(Signed) H. CONYERS SURTEES, *General Staff, Military Attaché.*

[8901] No. 48.

Sir G. Lowther to Sir Edward Grey.—(Received March 8.)

(No. 138.)
Sir, *Pera, February 28, 1909.*

IN your despatch No. 439 of the 22nd October, 1908, you requested that I should propose to the Ottoman Government an arbitration to decide on the claim of the Sheikh of Koweit to certain property at Fao, leaving, however, the selection of a suitable moment for making the proposal to my discretion.

I regret to have to state that no favourable opportunity for such a step has yet presented itself, nor does the idea seem feasible under the altered conditions in Turkey.

An interpellation of several of the Ministers has been announced on the subject of the Bagdad Railway Concession, though for one reason or another it has, so far, on each occasion been postponed. Attached to this have been questions regarding the rights of Russia to railway construction in the Black Sea basin, and regarding the status of Koweit, which latter the late Minister for Foreign Affairs assured me he would have no difficulty in avoiding by the statement that it was a matter the discussion of which was undesirable for reasons of State.

The press has also several times referred to alleged British encroachments at Koweit, once undoubtedly at German (or Austrian) instigation. Only two days ago the Shura-i-ummet, in commenting on international politics, attributed the satisfaction of England with the establishment of the Constitution here to the prospect of its interfering with Germany's commercial privileges in Turkey, and instanced the appearance of the Koweit question simultaneously with the grant of the Bagdad Railway Concession as a proof of this.

It will be necessary to treat the matter with great caution, and it would probably be best to allow it to remain dormant for the present at all events, if indeed the Turks on their side allow it to remain so. It must be very carefully borne in mind that Turkish rights and claims bear a very different complexion now from what they did under the old régime, and will need to be treated with great circumspection so long as the new order of things lasts, or at all events until we see clearly the groove into which the new régime will settle.

I have, &c.
(Signed) GERARD LOWTHER.

[8915] No. 49.

Sir G. Lowther to Sir Edward Grey.—(Received March 8.)

(No. 152.)
Sir, *Pera, March 3, 1909.*

I HAVE the honour to transmit herewith copy of a despatch from His Majesty's Consul-General at Bagdad, forwarding the substance of a Report which Sir W. Willcocks has addressed to the Ministry of Public Works, on the subject of the survey operations being conducted in Mesopotamia in connection with the preparation of various navigation projects.

The Minister for Public Works recently informed me that he had heard from Sir W. Willcocks that the latter was proposing to depart in April. Noradounghian Effendi could not, however, believe that he could yet have got through all the necessary preparatory work, and had therefore instructed him to remain on. His

Excellency intimated to me that there would be great difficulty in obtaining the funds required for this work, as, in spite of his protests, M. Laurent was cutting down the expenses of this Department as well as of others.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure 1 in No. 49.

Consul-General Ramsay to Sir G. Lowther.

(No. 8.)
Sir, *Bagdad, January 27, 1909.*

I HAVE the honour to inform you that Sir William Willcocks has kindly allowed me to see, and take notes of, his Report dated the 1st January, 1909, to the Minister for Public Works.

I inclose, for your Excellency's information, a brief translation of such portions of the Report as are likely to be of interest.

I have, &c.
(Signed) J. RAMSAY, *Lieutenant-Colonel, Political Resident in Turkish Arabia, and His Britannic Majesty's Consul-General, Bagdad.*

Inclosure 2 in No. 49.

Report dated January 1, 1909, submitted by Sir W. Willcocks to the Minister of Public Works, Constantinople.

(Abstract Translation.)

THE object of the survey operations is to facilitate the preparations of the following projects:—

(1.) To restore irrigation near Babylon and Hilla, by sending water down the old bed of the Euphrates. This can be done by the completion of the works at the Hindiya barrage.

(2.) To insure navigation between Bussorah and Bagdad.

(3.) To restore the ancient irrigation round Bagdad, Ctesiphon, and Seleucia by means of the Saklawie, Abu Gharaib, and Nahrwan Canals, and the protection of this irrigation against floods.

(4.) To restore the ancient irrigation round Bussorah.

(5.) To restore the ancient irrigation on the Hai Canal by means of a dam across the Tigris at Kut.

The respective levels of the water in the Tigris and Euphrates are such that all these works can be conveniently carried out.

2. Twelve engineers have been employed, of whom five are Englishmen, each of whom gets 30*l.* a month, which is far less than was expected. All the men are well trained, and have only accepted such small pay because the work is interesting and offers the possibility of a good career. All these engineers are working in the fields.

3. On arrival at Bagdad early in December it appeared desirable to divide the engineers into three brigades of four each, but the Resident and British Consul-General kindly gave me a copy of a map of the Tigris between Bagdad and Bussorah, and he also lent me the "Comet," on condition that I paid for the cost of fuel. I was thus able to make a minute inspection of the river, and to start at work six brigades of two engineers each. All the engineers began to work between the 6th and 15th December, and the weather has been very favourable, consequently by the 15th January I shall have a plan of the Tigris from Bagdad to the sea, showing sections, levels, discharge, and all the details necessary for preparing project No. 2, mentioned in paragraph 1. Owing to the plan of the river given me by Colonel Ramsay, six engineers have accomplished in one month work which, without the plan, would have required twelve engineers working for three months. A great deal of work has thus been done. The three other brigades of engineers have fixed bench-marks on the Euphrates at Feluja, at the intake of the Saklawie Canal, at the Hindiya barrage, and at Hilla. A bench-mark has also been fixed on the Nahrwan, near Ctesiphon.

4. Tents have been locally made.

5. A house has been rented at Bagdad.

6. By means of the information furnished to me weekly by the various parties of engineers, I am able to direct the operations in the field by telegraph without losing a day of this extraordinarily good weather.

The schemes, in addition to that of improving the navigation of the Tigris, already mentioned, which we hope to prepare this winter, are:—

(1.) A complete project for the Hindiya Canal.
(2.) A project for the navigation of the Tigris.
(3.) A project for a dam at Feluja and the Saklawie–Nahrwan Canal, with a navigable canal between the Euphrates and Bagdad on the Tigris.
(4.) A project to restore the ancient irrigation at Bussorah.
(5.) A project for a dam across the Tigris at Kut.

7. The Hindiya barrage has been twice examined, and the Minister of Public Works has sanctioned £ E. 20,000 for repairing it. M. Cugnin has been put in charge of this work. The barrage is almost a ruin, and 240 kilom. of the Euphrates entirely owe their existence to it. We hope to make satisfactory repairs, and to close the opening in the dam, which for twenty years has been the evil genius of the river.

8. Acknowledges assistance of Turkish officials.

[3919] No. 50.

Sir G. Lowther to Sir Edward Grey.—(Received March 8.)

(No. 156.)
Sir, *Pera, March 3, 1909.*

WITH reference to my despatch No. 138 of the 28th ultimo, in which I urged the desirability of not at present raising the question of the Sheikh of Koweit's claim to property near Ено and to my telegram of the same date, I have the honour to transmit herewith the best account of the interpellation in the Chamber on the subject of the Bagdad Railway Convention which appeared in the local press. While the Convention was severely criticized by several Deputies, who treated the subject in detail, the Minister of Public Works, who is now acting as Minister for Foreign Affairs, defended it on general lines, and though his explanations do not seem very convincing, they were accepted as sufficient by a majority of the House.

Among the five points raised in Ismail Hakki Bey's interpellation is that of Koweit as a possible terminus for the railway. In his reply the Minister merely stated that the question of the terminus had not yet been settled, and that it must depend on further local investigations and considerations of commercial expediency. But in the ensuing discussion the interpellator stated that Lord Curzon had rendered the status of Koweit a somewhat anomalous one, having perhaps exceeded the wishes of his Government in the matter, but that it was to be hoped that the friendship of England would not suffer such a state of affairs to continue. The Ottoman Government was at the same time an Islamic Government, and England would never sacrifice immense interests for the sake of a little corner like Koweit. By this the speaker alluded presumably to the possibility of the spread of disaffection among the Moslems in India, owing to British encroachments on the dominions of the Caliph, but he went on to smooth any susceptibility that might be affected by such a reference by the declaration that the presence of Rifaat Pasha at the Ministry of Foreign Affairs on his arrival from England would be a proof of the friendly spirit entertained among Ottomans for England. To the question as to why the route followed the Konia plain instead of the Angora–Caesarea line, in which decision foreign intervention was suspected, the Minister replied that it was solely on economic grounds that the northern route was abandoned. As regards the alleged existence of an Agreement with Russia, reserving all Railway Concessions within a certain zone in Northern Anatolia to Russian enterprise, the Minister declined to make a definite statement, but said that understandings come to with the Russian Government previous to the introduction of Constitutional Government in both countries could easily be recast in view of the very friendly relations which now existed between Turkey and Russia.

The interpellator laid stress on the political importance of the ownership of shares, as evinced by the negotiations for the participation of English and French

capital on equal terms with Germany, negotiations which broke down through the Anglo-French *entente* after the South African War. Ismail Hakki Bey criticized the terms of the Convention in detail, pointing out that while the general rate of kilometric guarantees should be from 8,000 fr. to 9,000 fr., the Ottoman Government gave 15,000 fr., thus assuring a 4 per cent. interest on the capital. But it was not the Company which found that capital, it was again the State which had to borrow it and become the debtor instead of the Company. The Convention really included seven or eight different Concessions, with all its different privileges for exploiting mines, quarries, &c. As it was impossible to cancel the Concession, and to buy it in would be more burdensome than its execution, the speaker said it only remained either to stop the work or modify the Convention.

Another Deputy, after inveighing against the ruinous methods of the old Palace camarilla generally and deploring the rejection of various previous offers to build the line without a kilometric guarantee, showed that while the cost of constructing similar railways in India was only about 130,000 fr. per kilom., the Bagdad Railway cost 269,000 fr. He then alluded to the financial situation of Turkey, and said the only hope of meeting the deficit of the Budget lay in raising the customs duties to 15 per cent., but that if this increase were to be affected to the Bagdad Railway, all hope of improving the financial position of the Empire must be abandoned. If the Germans insisted on this application of the Customs revenue, the Turks would on their side refuse to increase the duties.

Finally the Minister assured the House that the situation was not as gloomy as it had been painted by the honourable Members. He explained that the fact that no branch was to go to Alexandretta was purely due to the opposition of the General Staff, but the Minister of War would be asked to name a Commission to discuss the point. He gave the House a few further explanations on the Convention, which, he added, contained no onerous clauses, and the majority of the House accepted the Minister's somewhat vague explanations as sufficient.

While the Acting Minister for Foreign Affairs has told me that he regarded the matter as terminated as far as Parliament was concerned, I am assured that the Committee of Union and Progress do not share this view, and intend to raise the question again, and do all in their power to obtain some modification of the Convention.

A complete translation of the proceedings will be forwarded as soon as it can be prepared.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure in No. 50.

Newspaper Extract.

PREMIÈRE REPRISE DE LA SÉANCE.

Les débats sont repris à 2 heures.

Le Président.—La majorité existe. Le Ministre des Travaux Publics est arrivé pour répondre aux interpellations concernant la ligne de Bagdad et les mines de houille.

La parole est à Gabriel Effendi Noradounghian.

Le Ministre.—On a jusqu'à présent beaucoup parlé sur la ligne de Bagdad. On en parlera encore longtemps. Il est donc important de liquider cette question.

Je répondrai d'abord à tous les points portés dans l'interpellation d'Ismaïl Hakki Bey.

1. Pourquoi la Convention a-t-elle été tenue secrète?

Je crois qu'aucune intention n'existait de la tenir secrète. Comme vous ne l'ignorez pas, il n'existait, sous l'ancien régime, aucun principe pour la publication des Conventions et des Traités.

En résumé, quelques jours après l'octroi de la Concession du Chemin de Fer du Hédjaz, une quarantaine d'exemplaires de cette Convention furent imprimés et distribués. Mais puisque l'importance de cette Convention est indéniable, si vous le désirez nous la ferons imprimer et distribuer. D'ailleurs le Ministère des Travaux Publics désire

faire imprimer les textes turc et français de toutes les Conventions pour en donner des exemplaires à ceux qui en veulent. Mais cela occasionnera quelques frais. Et nous ferons cela si le crédit inscrit au budget est accepté.

2. Y a-t-il dans cette Convention des points pouvant porter atteinte à la souveraineté ottomane?

J'ai lu la Convention en entier. Je n'y ai vu aucun point pouvant porter atteinte à la dignité du Gouvernement ottoman.

Si après l'impression du texte on y trouve quelque chose de pareil, je suis prêt à répondre. Je dis pourtant dès maintenant qu'il n'y a aucun point touchant la souveraineté ottomane.

3. Y a-t-il des préjudices politiques?

Il est vrai que c'est un point délicat. Mais je ne pense pas que dans la Convention, pour les rapports avec les autres Puissances, il puisse être relevé un point politique. Vous n'ignorez pas que le Gouvernement doit naturellement s'adresser aux capitalistes étrangers. Si nous pensions, au point de vue politique, qu'ils sont sujets de tel Etat, les choses traîneraient en longueur sans aucun profit. Vous savez que les actions et les obligations se trouvent entre les mains de tout de monde et qu'elles peuvent changer de propriétaires très souvent. Je me répète, il n'y a en cela aucune crainte politique à avoir.

4. Il y aurait des bruits que le point terminus du Chemin de Fer de Bagdad serait Covéit.

Le Ministère des Travaux Publics ne peut savoir aujourd'hui quel sera le point terminus du chemin de fer. Cela dépendra des études à faire. Il y a lieu, après études sur les lieux, de désigner ce point en prenant en considération les facilités pour les communications et le commerce. Il se peut que nous nous arrêtions à Bassorah ou ailleurs. Cela est incertain encore.

Je viens au cinquième point.

5. Pourquoi a-t-on suspendu les travaux au-delà de Boulgourlou?

Si l'on me demandait pourquoi ce retard, en premier lieu je dirais pourquoi ce chemin de fer—artère de vie pour le Gouvernement—n'a-t-il pas été construit trente ans auparavant? Il y a trente ans, les Européens se sont adressés à nous pour construire la ligne sans garantie kilométrique. Leurs propositions ne furent pas acceptées; alors la question ne fut pas même étudiée de près. Pour moi, je ne puis m'empêcher d'exprimer mes regrets.

Si le Chemin de Fer de Bagdad avait été construit il y a trente ans, la situation politique de l'État aurait été tout autre. Il aurait occupé, tant au point de vue politique qu'économique, une position privilégiée vis-à-vis de l'Europe.

Dans la Convention, un délai de huit mois est fixé pour la construction de la ligne au-delà de Boulgourlou. Dès le premier jour où le portefeuille des Travaux Publics m'a été confié, je me suis demandé s'il ne serait pas possible de diminuer ce délai. Je travaillerai à le faire ramener à six ou cinq années. Mais pour construire cette ligne ne faut-il pas tout d'abord de l'argent? Comment pourrons-nous exécuter nos engagements? L'on sait qu'il y a une ligne de 840 kilom. à construire en dehors des 200 kilom. construits de Koniah à Erégli. La Convention dit que la garantie kilométrique, ou bien les obligations à émettre, auront pour contre-partie le surplus des recettes de la Dette Publique. Il est vrai qu'il incombe au Malié de savoir quels sont les excédents de recettes de la Dette Publique et quand ce qui précède doit être payé. Pourtant, autant que je puisse savoir en appliquant partout la loi et avec la perception régulière des impôts, cette ligne peut être construite en cinq ou six ans, et l'on pourra surmonter les difficultés financières.

Mais que fera-t-on après?

Pour le surplus des recettes, je ne vois dans la Convention aucun engagement que l'État aurait pris. Nous avons le temps de causer avec la Compagnie, le Malié et la Dette Publique. Il n'y a donc que ce point à développer.

Je pense avoir répondu à toutes les demandes d'Ismaïl Hakki Bey, qui étaient du ressort du Ministre des Travaux Publics.

Il reste encore un point auquel je répondrai, pour clore la question, comme gérant du Ministère des Affaires Étrangères.

Il est demandé : Pourquoi cette ligne, qui aurait dû passer plus au nord par Angora–Césarée, part-elle de Koniah et suit-elle la plaine de ce nom ? On y voit une décision prise à la suite d'une intervention de l'étranger.

Bien que je sois tenu au silence à ce sujet, je dirai pourtant une chose : Toutes les ententes qui ont été conclues avant que le régime constitutionnel ait été introduit tant en Russie qu'en Turquie seront naturellement refondues ; les deux parties s'entendront, se comprendront sous ce nouveau régime. En effet, les Gouvernements constitutionnels veillent avec soin sur ces points et y portent toute leur attention. Puisque notre amitié avec la Russie est très grande (*fevk el adé*) et puisque tout différend que nous pourrons avoir avec la Russie pourra être solutionné constitutionnellement, vous pouvez ne pas avoir de doute que nous parviendrons à nous entendre et à trancher la question légalement. (*Applaudissements.*)

Le jeune Député de Bagdad, auteur de l'interpellation, monte à son tour à la tribune.

Babanzadé Ismaïl Hakki Bey.—On dut remercier le Ministre de sa déclaration que cette interpellation sera profitable. On a prétendu, par ailleurs, qu'elle venait mal à propos. Je n'ai l'intention ni de soulever une responsabilité pour le Ministère des Travaux Publics ni de mettre le Hardjié dans une situation difficile. D'ordinaire, les Ministres des Affaires Étrangères cherchent, dans des question analogues, une interpellation pour éclairer le pays sur la situation réelle.

. . . . Il n'est pas possible de construire cette ligne avec des capitaux indigènes. Mais pourquoi cette voie, qui reliera notre capitale à Bassorah, a-t-elle tant d'importance pour l'Europe ? Elle se construit avec l'argent étranger. Dans ces questions, les États européens s'inquiètent plus que nous. Pendant que nous sommeillions, eux étaient tourmentés. Nous, nous n'en savions rien. Mais la concurrence se faisait sur notre dos. La plus grande était entre les capitalistes anglais et allemands.

Le Ministre a dit que les actionnaires pouvaient changer de nationalité du jour au lendemain, par le passage des actions d'un pays à l'autre. Oui, le Canal de Suez, qui était entre les mains des Français, a passé aux Anglais.

S'il en était comme le Ministre le dit, pourquoi ces longs pourparlers au début pour donner un pourcentage de tant aux Français, tant aux Anglais, et tant aux Allemands ? Et un personnage français déclarait que les capitalistes de son pays ne prendraient part à l'affaire qu'à égalité avec les Allemands.

Les Allemands n'ont pas accepté ces conditions. Ils ont voulu avoir la majorité. Là-dessus est survenue la guerre du Transvaal. Les pourparlers se sont arrêtés. Après la guerre, on négociait sur la base de 30 pour cent à la France, 30 pour cent à l'Angleterre, 30 pour cent à l'Allemagne et 10 pour cent soit à la Russie, soit à la Belgique ou à la Hollande. L'accord semblait sur le point d'aboutir, lorsque survinrent l'entente amicale entre la France et l'Angleterre et le conflit anglo-allemand. La France ne voulut plus participer aux travaux de Bagdad.

Je relate ces détails pour faire ressortir l'importance politique de cette affaire.

(Ismaïl Hakki Bey fait ensuite l'historique de toutes les demandes qui ont précédé la Concession et dit le grand tort que l'on a eu de ne pas faire construire cette grande ligne avant toutes les autres.)

Ismaïl Hakki Bey.—Beaucoup de demandes, celles des Pressel, Tonietti, Cotard notamment sans garantie kilométrique, ont été rejetées. Finalement la Concession a été accordée à la Société du Chemin de Fer d'Anatolie. Nous avons commencé la construction avec de très grands frais et nous avons abandonné les travaux après avoir construit 90 kilom.

La construction d'une voie ferrée se fait soit avec une garantie kilométrique soit en assurant le service d'intérêt.

Nous, nous sommes habitués au système de garantie kilométrique. Toutes nos lignes en dehors de celles d'Aïdine en ont.

Partout la garantie kilométrique est de 8,000 fr. à 9,000 fr. Nous, nous donnons 10,000 fr., 15,000 fr. et 18,000 fr.

Pour la ligne de Bagdad, nous avons consenti 11,000 fr. pour garantir la construction de la voie et 4,500 fr. pour garantir les frais d'exploitation, au total 15,500 fr. de garantie kilométrique. De la sorte, nous assurons 4 pour cent d'intérêt au capital, au moins, si ce capital avait été fourni par la Compagnie. Mais non, c'est encore l'État qui l'emprunte. La Compagnie est donc réduite au rôle d'un entrepreneur. Mais puisque

c'est nous qui sommes les emprunteurs, et que par-dessus le marché, nous payons 4,500 fr., pourquoi devons-nous être les débiteurs ? C'est à la Compagnie à l'être.

Il y a encore à faire rentrer en ligne de compte l'exemption des droits douaniers, l'exploitation des mines dans un rayon de 20 kilom. des deux côtés de la ligne, les usines de briques, l'exploitation des ports, dont les revenus devraient alléger les charges de la ligne. Mais non, la Convention n'en fait mention nulle part.

On a calculé le coût kilométrique à 269,000 fr. Dans aucun pays on n'affecte une telle somme pour la construction des voies ferrées.

La Compagnie, en dehors de l'exploitation des mines, des carrières, des tuileries, a encore le monopole de l'électricité. Pour moi, ces conditions et avantages doivent être rapportés.

Maintenant nous jouissons du droit de rachat. Mais nous devrons payer pour la durée de la Concession 11,000 fr. de garantie kilométrique, et en plus 1,000 fr. d'indemnité par kilomètre et par an.

Que pouvons-nous faire contre cet état de choses ?

1. Annuler la Concession ? Chose impossible.
2. Racheter ? Ce n'est pas désirable, puisque le rachat serait plus onéreux que la construction.
3. Arrêter les travaux ?
4. Changer la Convention ?

Ces deux derniers points sont possibles. Ils font pousser la ligne jusqu'à l'Euphrate, faire une partie des transports par la navigation fluviale sur l'Euphrate et le Tigre et l'autre par le chemin de fer.

Quant à la question du prolongement de la ligne jusqu'à Covéit, l'Angleterre est la principale intéressée. Le Gouvernement ottoman est en même temps un Gouvernement islamique, aussi l'Angleterre ne voudra jamais sacrifier d'immenses intérêts pour un petit trou comme Covéit. (*Applaudissements.*)

Le nouveau Ministre au Hardjié vient d'Angleterre. Sa présence au Ministère des Affaires Étrangères est une preuve que les Ottomans n'ont aucun sentiment hostile contre l'Angleterre. Si nous faisions appel à l'opinion publique de la Russie, nous verrions qu'elle nous est favorable. Le Ministre a fait des déclarations à ce sujet et a dit la bonne entente existant. C'est tout ce que j'avais à dire.

Zohrab Effendi monte ensuite à la tribune. Il fait ressortir avec la plus grande clarté que c'est toujours devant les néfastes agissements du régime de l'absolutisme que l'on se trouve.

"La Convention de cette voie ferrée est plutôt une œuvre de complaisance," dit-il. "Je ne m'occuperai pas des côtés politiques et économiques : ils ont été savamment traités par mon collègue Ismaïl Hakki Bey. Je me contenterai de citer quelques chiffres seulement qui n'ont pas été donnés."

L'éminent Député de Constantinople fait ensuite ressortir avec une précision mathématique que cette grande voie de Bagdad coûtera au Gouvernement ottoman une somme de £ T. 20,000,000. Il prouve ensuite que le Gouvernement ottoman a le droit d'annuler la Concession, et il finit en demandant la formation d'une Commission pour établir un projet dans ce sens.

Les déclarations de Zohrab Effendi ont été longuement applaudies.

Le Président suspend la séance pour un quart d'heure.

Deuxième Reprise de la Séance.

Il est 4 heures et demie quand les débats sont repris.

Plusieurs Députés qui s'étaient fait inscrire renoncent à prendre la parole. Ils se rallient aux déclarations d'Ismaïl Hakki Bey et de Zohrab Effendi.

Djavid Bey, Député de Salonique, le plus grand orateur de la Chambre, économiste émérite, prend à son tour la parole. Il commence par faire le procès de toutes les Concessions accordées sous l'ancien régime. Il flétrit la camarilla qui a mené le pays à deux doigts de sa perte. Avec une élocution d'une surprenante facilité, il énumère toutes les phases économiques, politiques et commerciales de cette ligne de Bagdad dont on parle depuis soixante ans. Avant d'occuper la Chambre, elle a été une préoccupation pour le grand Avli Pacha et de grands diplomates d'Europe.

Il critique ensuite point par point la Convention en relevant toutes les clauses préjudiciables au pays, au Trésor, à la population.

Nous regrettons de ne pouvoir donner *in extenso* le discours de Djavid Bey. Les colonnes de notre journal y suffirment à peine. Aussi forcément devrons-nous nous contenter d'un très faible résumé.

Nous prendrons donc la partie financière de son discours.

Cette ligne jouira d'une garantie kilométrique. La Concession est de quatre-vingt-dix-neuf ans. La Compagnie jouissait au début d'une garantie kilométrique de 12,000 fr. Mais l'État ayant pris à sa charge l'émission des obligations, elle fut ramenée à 11,000 fr. pour la construction. Cela eut lieu à la suite des négociations avec le Mabéine.

Le coût kilométrique a été fixé à 269,000 fr. et l'État émettra des obligations pour les différents capitaux nécessaires.

Dans la Convention passée entre Zihny Pacha et Simons, pour chaque commencement de travaux, l'autorisation du Gouvernement devait être obtenue.

Les chemins de fer dans les Indes, pays qui peut être le plus mieux comparé à ceux que le Chemin de Fer de Bagdad traversera, ne coûtent que 130,000 fr. le kilomètre, de sorte que le coût kilométrique de 269,000 fr. pour Bagdad est très élevé.

Une construction dans ces conditions portera la plus grande atteinte à notre vie économique dans l'avenir.

Lorsque la Convention intervint, l'Allemagne devait demander l'affectation de nouveaux revenus. Sous l'ancien régime, l'affectation de nouveaux revenus était impossible ; nous n'avions pas la liberté.

Mais cela a mieux valu. Si nous avions eu cette liberté, nous aurions supporté cinq fois plus de poids. Mais le Gouvernement a-t-il pu atteindre ce but, a-t-il cherché à l'atteindre ? Aussitôt la première section, celle d'Erégli, construite, la Convention a été modifiée. On a parlé de faire donner la garantie par les douanes. A cette époque, Saïd Pacha, qui était Grand-Vézir, souleva bien la question que de nouveaux revenus seuls devaient être affectés à la ligne de Bagdad. Il reçut pourtant l'ordre du Palais : "La ligne d'Angora a sa garantie kilométrique. Les recettes de cette dernière augmenteront dans l'avenir. Vous pourrez affecter cette garantie à la ligne de Bagdad. Pour le moment donnez sur les recettes des douanes la somme de £ T. 96,000." Plus tard c'est sur les dîmes que l'affectation fut prélevée.

On devait donner 480,000 fr. sur l'excédent des recettes de la Dette Publique.

L'excédent des recettes de la Dette appartient au Gouvernement dans la proportion de 75 pour cent et le reste revient à la Dette pour les fonds d'amortissement. Ces 75 pour cent furent désignés pour la garantie de la ligne de Bagdad.

Mais l'excédent des recettes de la Dette provient, en vertu de l'ordonnance de Mouharrem, de l'excédent des recettes douanières, des monopoles et de la taxe des patentes. Si le Gouvernement ottoman parvient à élever ses droits douaniers—c'est le seul moyen de balancer le grand déficit de notre budget—et s'il doit les affecter à la ligne de Bagdad, il ne doit garder aucun espoir d'améliorer ses finances.

L'excédent des recettes de la Dette Publique n'est que de £ T. 500,000, dont les 75 pour cent reviennent au Gouvernement qui les a affectés à l'emprunt 1904.

Notre plus grand espoir est d'arriver à surélever à 15 pour cent nos droits de douane. Cela nous donnerait £ T. 1,335,000.

Si les Allemands nous laissent cet excédent de recettes qui seul peut permettre le relèvement de nos finances, alors pourront augmenter les rentrées des dîmes et des aghnams, et nous pourrons trouver facilement la contre-partie de la garantie.

S'ils ont l'intention d'exiger les excédents des douanes, à notre tour, nous n'accepterons pas la surélévation des droits de douane. (*Applaudissements prolongés.*)

Le Ministre.—La situation n'est pas aussi sombre qu'on vient de la décrire.

Si nous n'avons pas dirigé un embranchement sur Alexandrette, c'est à la suite de l'opposition de l'état-major qui a voulu le tracé actuel. Je prierai le Ministère de la Guerre de nommer une Commission où nous discuterons ce point.

Puis le Ministre a donné quelques autres explications sur la Convention qui, a-t-il ajouté, ne contient pas de clauses onéreuses.

Vu l'heure avancée (7 heures), la suite des débats a été renvoyée à samedi prochain, jour fixé pour les interpellations.

[9168]

No. 51.

India Office to Foreign Office.—(Received March 9.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Viscount Morley, forwards herewith, for the information of the Secretary of State, copy of inclosures in a letter from the Foreign Secretary to the Government of India, dated 28th January, relative to the Muscat Arbitration Award.

India Office, March 8, 1909.

Inclosure 1 in No. 51.

Captain Trevor to Government of India.

(Confidential.)

Bushire, January 10, 1909.

WITH reference to correspondence ending with Foreign Department telegram, dated the 1st October, 1908, I have the honour to forward, for the information of the Government of India, a copy of a letter which has been received from the Political Agent, Muscat, on the subject of the French flag used by Suri dhows.

2. Major Cox approved Mr. Holland's action before his departure for Calcutta.

Inclosure 2 in No. 51.

Mr. Holland to Major Cox.

Muscat, December 31, 1908.

I HAVE the honour to refer to Government of India Secret telegram, Foreign Department, dated 5th June, 1908, and your reply dated 7th June, 1908, on the subject of the proclamation of The Hague Arbitration Award.

2. I discussed the matter recently with the French Consul, and we mutually agreed that the draft Proclamation with the printed copies supplied to me by the Government of India should be transmitted by me to His Highness the Sultan with a formal covering letter, of which a copy should simultaneously be sent to the French Consulate. After explaining the proposed arrangement verbally to the Sultan, and obtaining His Highness concurrence, I have dispatched the letter, and trust that my action will be approved.

3. The Sultan informed me verbally with reference to paragraph 4 of my letter to him that he would be glad to send Bedr-bin-Seif to Sur in a gun-boat after the "'Id," in order to publish the Proclamation there. Unless you see any objection, I propose to accompany him, and Lieutenant Commander Shuter of His Majesty's ship "Redbreast" has agreed to take us.

4. I forward herewith a copy of a letter addressed by His Highness to Major Grey on 6th February, 1908, expressing his deep obligation to His Majesty the King-Emperor for the satisfactory settlement of the flag question.

Inclosure 3 in No. 51.

Mr. Holland to the Sultan of Muscat.

(After compliments.)

Muscat, December 28, 1908.

I HAVE the honour to address you on the subject of the Award of the Tribunal constituted at The Hague by agreement between Great Britain and France for the purpose of arbitrating on the right of certain dhows to fly the French flag, and on other connected questions.

2. With a view to the promulgation of the Tribunal's decision regarding the points at issue, a Proclamation was drawn up, to your Highness' satisfaction, by my predecessor, Major Grey, and the French Consul, M. Laronce, in consultation, and it was then submitted by them to their respective Governments for approval.

3. The Proclamation has been approved by His Majesty's Government and the

Government of the French Republic, as embodying the decisions of The Hague Court and as providing a satisfactory means of announcing the settlement to your Highness' subjects. I therefore forward a copy of the same for the favour of your Highness' acceptance and issue.

4. If it would be to your Highness' convenience that copies of notification should be transmitted to Sur for delivery to the Wali, and publication by means of one of His Majesty's ships, I will arrange that this should be done.

5. I take this opportunity of congratulating your Highness on the fortunate and happy solution of this long-standing difficulty.

Accept, &c.

Inclosure 4 in No. 51.

Mr. Holland to M. Lecontour.

Muscat, December 29, 1908.

I FORWARD to you herewith a copy of the letter which, in accordance with the arrangement verbally decided on between us, I have forwarded to His Highness the Sultan of Muscat on the subject of the dhows arbitration Award.

I inclose five printed copies of the Proclamation, in case you should require them for record in your office.

With kindest regards.

Inclosure 5 in No. 51.

The Sultan of Muscat to Major Grey.

(After compliments.) *Muscat, 6 Muharram,* 1326 (*February* 8, 1908).

I BRING forward my heart's thankfulness and obligation to His Majesty the King-Emperor for the great trouble which his Government took in clearing the difficulty between me and the French Government regarding flags. This matter was settled according to the decision of The Hague Conference.

I have always walked in the way of friendship with your Government, and I expect the same from them.

I am very thankful to you for the great help you rendered me in this matter.

[9845] No. 52.

Sir G. Lowther to Sir Edward Grey.—(Received March 15.)

(No. 161.)

Sir, *Constantinople, March* 6, 1909.

WITH reference to my telegram No. 8 of the 11th January last I have the honour to forward herewith two despatches from His Majesty's Vice-Consul at Mosul reporting on the state of unrest and insecurity prevailing at that place and in the surrounding district.

I have, &c.

(Signed) GERARD LOWTHER.

Inclosure 1 in No. 52.

Vice-Consul Young to Sir G. Lowther.

(No. 5.)

Sir, *Mosul, February* 6, 1909.

I HAD the honour to report to your Excellency last week that several villages were said to have been pillaged in the neighbourhood of Aera. The names of these villages as given in a petition presented by some of their inhabitants to the local authorities are: Begherman, Shoash, Suzhn, Lekeh, Gunduk (the foregoing are

Moslem), Harpee (Chaldean), and Shermin (Chaldean). The Chaldean Bishop of Amadia has since informed me that the village of Hawagi has also been pillaged. I have no means of knowing to what extent the villages referred to have suffered, and, in view of the tendency always to exaggerate in such cases, I do not attach more importance to the incident than as a symptom of the generally disturbed state of the district.

The fact that the authorities have at last realized the danger of serious trouble among the Kurds as the result of recent occurrences here is evident from the fact that a battalion of infantry and four field guns have been ordered to move in haste from Erbil to Aera, the centre of the district referred to in my telegram. Thirty-five mounted gendarmes had been sent to the spot last week, and it is said that they are in difficulties, but I do not know with what truth. The Vali himself told me yesterday of the orders which had been sent to the battalion at Erbil to proceed to Aera, but he does not admit that there is serious trouble.

As already reported by telegram, Sheikh Mahmud (the surviving son of the late Sheikh Said), who had been under surveillance in the Government Konak since the 6th January, was released last week. He left the city by night unobserved and started for Kerkuk. There seems reason to believe that his release was due to the very threatening attitude of the Kurds, and that the Mutessarif of Kerkuk had telegraphed to the Vali that "unless Sheikh Mahmud were immediately released, he could not be responsible for the consequences in his district." Information which reaches me from Kurdish sources is to the effect that there was imminent risk of a general rising; and it seems by no means certain that the Concession referred to will suffice to avert it. With the single exception of the inhabitants of Suleimanieh, who had personally suffered from the tyranny of the late Sheikh Said and who are said to be determined never to permit the return of any member of his family, all the Kurds are indignant at the outrages perpetrated in Mosul upon their fellow-countrymen on the 6th January, and it is easy to understand that the murder in cold blood—hitherto unpunished—of one of their most "holy" and famous Sheikhs—"an old man, a guest, with the Koran in his hands"—and his entire household is being made the most of by those who are against the Government.

The strangely one-sided and misleading versions of the events of the 5th and 6th January last, published in the Constantinople newspapers which arrived here by last mail, have produced the impression that the Government are anxious to minimize and, so far as possible, ignore the whole affair. The non-arrival of the reinforcements, whose departure for Mosul was announced more than four weeks ago, has strengthened this impression, with the unfortunate result that the promoters of the disturbance, who had been lying low, are now again showing themselves in public, and the Kurds are correspondingly incensed.

On the 2nd February there was again some excitement caused by a report that certain natives of Mosul at Kerkuk were in danger of being massacred by the inhabitants in revenge for the hitherto unpunished murders of Kurds on the 6th January.

At present the city is quiet, but the position is critical, and it would seem that an impressive display of force is urgently required to keep the peace here and in the surrounding district.

I have, &c.

(Signed) H. E. WILKIE YOUNG.

Note.—In certain Constantinople newspapers it was stated, with regard to the disturbances at Mosul on the 5th and 6th January, that (1) the gaol was forced and that escaped prisoners were largely responsible for the acts of violence committed; (2) that a portion of the garrison was detached for the protection of the Consulates.

It is, perhaps, worth while to state (1) that no prisoners are known to have escaped from the gaol, and (2) that no guard of any description was asked for or sent for the protection of this Vice-Consulate. So far as I am aware, the only guards asked for were for the Papal Delegate, the French and English Missions, and Messrs. Lynch's premises. Possibly fifteen or twenty men may have been employed on this service out of a garrison of about 800.

Nearly three weeks after the occurrences referred to, viz., on the 25th January,

a small guard was sent to this Vice-Consulate apparently in accordance with instructions received from Constantinople.

The guard (two men) told off for the protection of the English Mission has been retained hitherto in accordance with the advice of his Excellency the Vali; but, in order that the ladies may not be inconvenienced, a room has been found for these men in neighbouring house.

Mosul, February 6, 1909.

Inclosure 2 in No. 52.

Vice-Consul Young to Sir G. Lowther.

(No. 6.)

Sir, *Mosul, February* 13, 1909.

REFERRING to my despatch No. 5 of the 6th instant, upon the state of affairs here and in the surrounding district, I have the honour to report to your Excellency that on the 7th instant 150 men of the 20th Cavalry Regiment arrived here from Zakkho. Yesterday, the 12th February, these were followed by the 2nd and 3rd Battalions of the 21st Regiment (Infantry), numbering together about 600 men.

It is stated that Zekki Pasha, the Vali, is to be removed and replaced by the present Vali of Bitlis, but any such changes would naturally be known at Constantinople before being announced here.

It is also stated that Zuhdi Pasha, the Commandant, is to be transferred or retired. If the latter, the Government are to be congratulated on dispensing with services which, whether owing to ill-health or other causes, can have been of very little value for some time past.

Two officials have arrived from Diarbekir and Mardin respectively for the purpose, it is said, of inquiring into the disturbances of the 5th and 6th January last. A third official is said to be expected from Bagdad for the same purpose. Nothing definite is as yet known on this subject, but the rumours referred to, strengthened by the arrival of the troops, have already produced an impression that the Government intend after all to investigate seriously the incidents of the 5th and 6th January, and there is a corresponding improvement in the situation.

The elections are terminated at last. They have resulted in the election of one Moslem (Mohamed Ali Effendi) and one Christian (Daud Jussefani) for the Sanjak of Mosul. The Deputies for Kerkuk (Salih Pasha and Kardarzade Ali Effendi) have already left for Constantinople. Communication with Suleimanieh is very uncertain, but it is understood that a Moslem at present residing at Bagdad has been elected to represent that constituency. It is not yet known whether he will accept.

The rumours of serious trouble at Aera, reported last week, are confirmed, and it seems that Riza Effendi, who was first ordered to the spot with twenty-five [?] gendarmes, found himself completely outnumbered, and was compelled to temporize and connive at the destruction of at least one house and a certain amount of property. I hope to be in possession of reliable details with regard to this and other matters referred to above by next mail.

I have, &c.
(Signed) H. E. WILKIE YOUNG.

[9852] No. 53.

Sir G. Lowther to Sir Edward Grey.—(Received March 15.)

(No. 170.)

Sir, *Constantinople, March* 10, 1909.

WITH reference to my despatch No. 138 of the 28th ultimo, I have the honour to forward herewith a despatch from His Majesty's Consul at Bussorah respecting Sheikh Mubarek's property at Fao.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure in No. 53.

Consul Crow to Sir G. Lowther.

(No. 7.)

Sir, *Bussorah, February* 12, 1909.

A DISPUTE arose between the Turkish authorities and Sheikh Mubarek, of Koweit, in regard to the cultivation of land reclaimed by the latter at Fao, in the vicinity of the Turkish fort at the end of 1907. I made friendly representations to the Vali and the Commandant of Bussorah at the time at the request of the Resident at Bushire. The Turks, however, objected to the work on the land near the fort on military grounds, and the Kilid Bahr was dispatched to Fao in 1907 to destroy the embankment which had been raised by the Sheikh near the fort. The embankment was accordingly destroyed as directed. The matter subsequently formed the subject of Sir E. Grey's Confidential despatch No. 439 of the 20th October, 1908, to your Excellency, which was shown me by His Majesty's Political Agent at Koweit during my recent visit.

Although I have received no communication on the subject myself from His Majesty's Embassy, it may interest your Excellency to know that in the course of an interview with Sheikh Mubarek on the 31st January last, the Sheikh stated that the dispute had been arranged, and that the embankment which was destroyed by the Turks in 1907 had been recently rebuilt with their consent and with the assistance of the military authorities at Fao.

I have, &c.
(Signed) F. E. CROW.

[9854] No. 54.

Sir G. Lowther to Sir Edward Grey.—(Received March 15.)

(No. 172.)

Sir, *Constantinople, March* 10, 1909.

I HAVE the honour to forward herewith a despatch from His Majesty's Consul at Damascus reporting the return from the Hedjaz of the sacred caravan.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure in No. 54.

Consul Devey to Sir G. Lowther.

(No. 14.)

Sir, *Damascus, February* 27, 1909.

I HAVE the honour to report that Abdurrahman Bey, the Haj Muhafizi, arrived here from Beyrout on the 12th instant, leaving the caravan at Mecca to the care of the Shereef Hussein Pasha, and returning to Damascus by sea. On the 18th instant he left here, by order of the Vali, by train to meet the caravan at Tebouk, and return with it as usual; but the two Emirs—Nassir, brother, and Abdullah, son of the Grand Shereef—on hearing that Abdurrahman Bey was going out to take charge of the mahmel at Tebouk, telegraphed their refusal to hand over to him the duties delegated to them by the Shereef, who instructed them to accompany the caravan to Damascus and deliver it to the Vali only. The Vali, complying with their demand, recalled Abdurrahman Bey back from Maan, directing him to leave the two Emirs in charge of the caravan till they should reach Damascus.

On the 23rd instant the sacred mahmel and the two Shereefs reached here, and were received with the usual ceremony. They are still in Damascus as guests in the house of Ata Pasha Bekri, and will return soon.

The cause of dispute between the Shereef and the Haj Muhafizi was that the

former insisted that the pilgrims should follow the usual route in making their journey from Mecca to Medina, and the latter strongly recommend a sea route, viâ Jeddah, Akaba, and Maan, pointing out that this route might save lives, money, and time.

I have, &c.
(Signed) G. P. DEVEY.

[9855] No. 55.

Sir G. Lowther to Sir Edward Grey.—(Received March 15.)

(No. 173.)

Sir, *Pera, March 10, 1909.*

WITH reference to my despatch No. 156 of the 3rd instant, I have the honour to forward to you herewith a translation in full of the debate in the Turkish Parliament on the Bagdad Railway Concession.

I understand that the matter is not to be allowed to drop here, but that the debate will be renewed at an early date, when attention will be called, amongst other points, to the bestowal by the German Emperor of decorations upon a number of Turkish officials connected with the Concession. The news that these decorations had been conferred reached here on the 2nd instant, which seemed an ill-chosen moment, the matter being just then a subject of so much adverse comment.

They were distributed as follows:—

To the ex-Minister of Commerce, Zihni Pasha, the Grand Cross of the Red Eagle; to the ex-Minister of Finance, Zia Pasha, the First Class of the Red Eagle; to Servichen Effendi, Chief Technical Adviser at the Ministry of Public Works, and Houloussi Bey, Under-Secretary of State at the same Ministry, the Order of the Red Eagle with star; to Bedros Effendi Kurestejian, Head of the Translation Bureau at the Ministry of Finance, and Enver Bey, a Departmental Head in the Ministry of Public Works, the Second Class of the Order of the Crown.

I have, &c.
(Signed). GERARD LOWTHER.

Inclosure in No. 55.

Debate in the Turkish Parliament on the Bagdad Railway Concession.

THE following is an account of the debate of Saturday, the 27th February, 1909, arising out of Ismail Hakki Bey's interpellation concerning the Bagdad Railway. It is based on the Turkish Report in the "Official Gazette." The principal speeches are given in the first person for convenience, but the versions are full paraphrases, not exact translations of the Turkish.

Gabriel Effendi Noradunghian (Minister of Public Works, and Acting Minister of Foreign Affairs):—The Bagdad Railway, Gentlemen, has merited much discussion in the past, and will be much discussed in the future also, both here and in other countries. It will therefore not be without advantage to deal with it a little at the present time. But first I will reply on the various points raised by the interpellator, Ismail Hakki Bey. On analyzing the question we find the first point to be this:—"Why was the Convention kept secret?" I do not think that there was any express or special intention of keeping the Bagdad Railway Convention secret. But you are aware that under the old régime we had no established practice for the publication of Conventions, Treaties, or Concessions; or, rather, there was no prescribed rule. A few days after the Bagdad Railway Concession was granted it was announced in the papers. As for the Convention, forty or fifty copies were at the time printed by the Ministry, and found their way hither or thither. As its importance is obvious, we shall, if it be desired, print and publish this Convention at once. Indeed, the Ministry of Public Works is anxious that not only this but all Conventions relating to Concessions should be published in Turkish and in French, and given to any one who wishes, and so be discussed and examined. There is only one point—the question of expense. If, as we hope, you grant the credit for printing asked for in our estimates, we shall make this publication. For the present I pass to the second point.

Are there conditions which prejudice Ottoman sovereignty? it is asked. I have read the Convention from top to bottom and looked at the Agreements, and I have found nothing that infringes the sovereignty of the Government. If explanations be desired on any point that seems to bear such a construction, I am ready to reply to any further interpellation on the subject. For the present I merely repeat that there is no point in that Convention which infringes the sovereignty of the Government or assails the sovereignty of the nation. Does it involve political objections? This, indeed, is a delicate question, if the expression "political" has reference to our domestic arrangements. If, however, the question has reference to our transactions and correspondence with other Powers, I do not think that the Convention effects them in any way. In constructing railways the Porte always has recourse to foreign capitalists, and this is natural. If we attribute a political character to the fact that those who put up the capital of the railway are the subjects of such and such a country, it will carry us rather far, and will, I think, have no profitable result at any time; because, Gentlemen, you are aware that what are called shares pass from hand to hand at will, and belong to-day to the people of one country, to-morrow to those of another. I repeat, therefore, that from the political point of view there is no ground for anxiety.

There are rumours, it is said, about the terminus of the line being at Koweit. If there be among us any who have studied the whole Convention, they will have perceived that there is no provision for going to Koweit. In fact, the Ministry does not and cannot know to-day where the terminus will be, because the matter requires examination and study. It will be necessary to consider whether there is a point more suitable from the point of view of saving time for the purposes of communications and commerce, and to study the matter with reference to the steam-ship routes from the terminus to Bombay, or [name omitted in Turkish]. It is at present uncertain what the probabilities are as regards Koweit or other harbours.*

Let us come now to the fifth point, which is, "Why has the construction of the line beyond Bulgurlu, the present railhead, been postponed?" If this question be asked, I reply, "Why was not this line to Bagdad, a vital artery of the Empire, built thirty years ago or forty years ago?" Many years ago Europeans came forward; indeed, some offered to build without a guarantee, starting from Suida, from Tripoli, or from Salih, and I regret that nothing was then done. For not only are railways essentially necessary for our country; but, moreover, had the Bagdad line been begun thirty or forty years ago, and were it now complete, the political position of our Empire would have been placed on a thoroughly secure basis. A political position would have been created, such that the Empire would have enjoyed a great and high standing from the economic and commercial standpoints, and still more from that of its position in Europe. My first case, therefore, on the day when I was made Minister of Public Works, was to ask the Company how far the eight years which had been fixed in the Convention for the construction of the line beyond Bulgurlu could be reduced, and I am glad to say that there is a probability of reducing this eight years to five or six, and perhaps efforts will be made to do the work even more quickly. But for the rapid construction of the line it is necessary to know first how we are to carry out our engagements, whence satisfy them. You are aware that, besides the 200 kilom. already built from Konia to Bulgurlu, there are 840 kilom. more to be built from Bulgurlu to Aleppo. We must consider how to provide the money to cover the guarantee for those 840 kilom., and pay the interest on the bonds which will be issued. In the Convention it is provided that it shall be paid from the surplus revenues of the Public Debt. Now here we have a question pertaining to the Minister of Finance, as to how much the Public Debt money is increasing annually, and when it may be expected to meet this demand completely, reduction having been made for the shares hitherto issued.† Still I think that with an effort, by drawing up a complete Budget with all our surplus receipts, applying the law, and, for instance, taking full advantage of our revenues generally, there is no doubt that the line from Bulgurlu to Aleppo can be built in five or six years within the terms of our undertakings, and that difficulty will not be experienced in providing the necessary amount of money. But what will happen afterwards? Will it be advisable for the Government to enter into explicit undertakings of this kind as regards its surplus revenue for the line from Aleppo on to Bagdad? I do not think so. But it is a question which has not yet arisen, and we have time enough to consider it in consultation with the Treasury and the Public Debt Administration. It will then be settled. For to-day this is enough, I think, on this subject.

I am proud to tell you what I know in connection with the six points raised in

* The official text of this sentence is very obscure.

† Text obscure.

Ismaïl Hakki Bey's interpellation. There remains one small point, which it is desirable to deal with for a complete understanding of the question. It is asked why the line is carried by the Konia plain and the lower route, instead of by the upper route, *i.e.*, viâ Cæsarea, or Angora and Cæsarea, Diarbekir, and Mosul. This is regarded as the effect of a foreign influence. That, Gentlemen, is a mistake. It appears from a study of the documents that certain economic objections suggested themselves, if the line were carried through the centre of Anatolia. The expense, it seemed, would be greater; the route would lie farther from the ports, &c. It was on these grounds that the Konia route was preferred. No foreign interference is involved in building the upper line, by Cæsarea, Sivas, and Diarbekir. Only, it is asked, is there any undertaking towards Russia? Is there an undertaking to give to Russian capitalists the construction of railways on the Black Sea and in those districts, if Turkey should not build them herself, and what is the nature and basis of such undertaking? Though I must be excused from giving complete official information on this subject at this moment, I may say one thing only: As regards the modifications which may seem advisable later on, under the new systems in whatsoever agreements and other arrangements were come to at a time when the constitutional system, Gentlemen, had not established itself either in Russia, or in Turkey, the parties are in such a position, the Governments under the constitutional régime are so attentive to understanding each other, and to respecting each other's rights, that I can say that, as we are on terms of friendship with the Russian Government, and as there is no doubt that we shall understand each other as constitutional States in relation to whatsoever questions arise, we shall succeed in settling them conformably with the rights of both parties.* (Applause.)

The President calls upon—

Ismail Hakki Bey (Member for Bagdad).—In the first place, I thank the Minister for his remark that this interpellation would serve a useful purpose. Some have thought it inopportune, some have approved. It is now clear that it is not inopportune or undesirable. I trust that it will be found even useful. Secondly, I never asked for these explanations in order to place the Minister of Public Works or Tewfik Pasha, Minister of Foreign Affairs, in a difficult position. My object was to assist them, to show that in case of need they had the moral support of Parliament. For in questions of this kind which have a bearing on foreign affairs, Ministers actually desire on occasion to be put such questions, both in order to give the country information for which there is a demand and to produce, if it may be, certain effects abroad. Such was my object.

I asked why the Convention was kept secret. The Minister says it was not secret. But the fifty copies which, he says, were printed, were printed privately and had nothing to do with the public; so the advantages of publication are not attained. And this Convention is as important as a law. It affects millions of people. Not only people here, but people abroad also have an interest in its publication. Whereas with us, unfortunately, not only were Conventions of this sort not directly published—actual laws imposing taxation were kept secret. You know that the customs duty was increased by 3 per cent. No official announcement of it has yet taken place. In no country could a tax be imposed without its being announced, without a law being promulgated. In like manner this Convention, affecting millions of people, imposing duties on officials, has never been published. Hundreds of works have been published about it in Europe, but these are not official, nor is the duty imposed on any one.† Those who knew French read them, and that is all.

The Bagdad Railway has a two-fold importance. It is important in itself, and it is important in its relations to other things. Even Sodur, as in the case of the Hedjaz line, built with our own capital, this line of 2,800 kilom., linking the capital of the Caliphate with Bussorah and serving as a great bridge between Europe and Asia, it would have had a special intrinsic importance. But by having it built with foreign capital we give it an extrinsic importance also, and it is because it is desired and decided to build it with foreign capital that I may say that foreign capitalists are more interested than we ourselves. Foreign Powers are and will be more disquieted by this matter than we ourselves. While we were deep in slumber here, excitement was raging amongst them. While we knew nothing, quarrels and rivalry were rife among the other Powers. We know nothing of this wrangling, but we were concerned. The greatest rivalry was between English and German capital, and in the end it necessitated, for instance, our

* Text somewhat involved, but sense fairly clear.
† Text corrupt, apparently.

entering into a formal undertaking in the Persian Gulf. The Minister said a while ago that, as the capital is in the form of bearer shares which may pass into any hands, this matter has no political importance. I cannot share that view. Firstly, it is laid down in the contract that the concessionary Company shall not change its Ottoman character. Moreover, we see that the Suez Canal, for instance, was made, in the first instance, with French capital, then the shareholders came to be English, and later on again the majority are becoming French. Then there is another point. If, as his Excellency says, it did not matter who held the shares, there would have been no controversy on the subject between the Powers. They would not have said, for instance, let the Germans put up 40 per cent., the English 20 per cent. Up to the present, various combinations have been effected, but no result has been arrived at. At first French capitalists wished to participate. But M. Delcassé in a speech delivered five years ago declared that unless the French participated on equal terms in the capital and the construction, French capital would not come in; that is, it was desired to participate equally in the control and in the capital expended on material, &c. The German Company demurred to and the French asked for this equality of control. And so matters did not progress. Later after the Transvaal war, I think there is a connection between the railway and that war, because it is said that, but for the war, the Railway Concession would not have been given so easily. After the Transvaal war a new arrangement was come to in the shape of an agreement between the capitalists. It was proposed to give 30 per cent. of the capital to the English, 30 per cent. to the French, 30 per cent. to the Germans, and the remaining 10 per cent. to the Russians; or if, as I think was likely, no Russian capital could be found, to the small States like Belgium and Holland. But this ended in nothing, owing to the understanding between England and France and the antagonism between England and Germany which supervened at this juncture. On the recommendation of the English Government the French Government prevented the French capitalists from participating. My point is that the fact of the capital's being issued in negotiable shares does not, as the Minister says, deprive the matter of political importance.

The Bagdad question is no new one, but dates from perhaps sixty years back. If it be not wearisome, let me describe previous schemes, their authors, and the conditions proposed. If you do not wish it, we can enter on the examination of the present question at once. For it will be seen that in these schemes more favourable conditions were offered. Whatever routes have hitherto been suggested, whatever schemes have been evolved, the principal projects have been those of Englishmen. And naturally, because the first scheme was that of an English Company, and the English have a great interest in this matter because of India. To begin with, one gentleman, called Chesney [proposed a line] from Alexandretta to Aleppo.

[Interruptions from impatient Deputies, after which the speaker proceeded.]

It is necessary, I think, to give certain information in résumé, in view of the fact that the question is one of the most important we have so far discussed. Chesney proposed to make a railway to a place called Meskeneh, to dredge the Euphrates below that as far as Bagdad and Bussorah, and to establish a steamer service. The scheme was not entertained. A few years later one Andreff proposed, again using foreign capital, to build a line not this time to Aleppo, but to a place called Deir Zor, ten days distant from Aleppo, and to make the river below that point fit for steamers by dredging. Andreff also had no success. Then the Suez Canal was opened, and the Bagdad line was somewhat forgotten. Eventually, under the old régime, an Italian called Tonietti put forward another scheme in conjunction with English capitalists. This is more important. Tonietti proposed a line not to Aleppo, but to Bussorah, and asked for no guarantee. Instead of a guarantee, he proposed to develop those regions, to cultivate the land on both sides of the river, and distribute water to the inhabitants. He was going to make a branch to Konia, and to carry the British-Indian post by that route. He had obtained the consent of England to this. But after two or three years of effort he had no success. Then a Frenchman, M. Otard, came forward, and he, too, failed. Another, Von Proessel, failed also like his predecessor. All these proposed to build the railway without guarantee.

At last the Concession for this line was given to the Anatolian Company, with not only a guarantee, but other advantages as well. You are aware that in the past the Government contracted a large loan for the building of the Bagdad line. But this loan was sacrificed in extravagance, and as usual the amount was not devoted to the intended object. It was to have provided for the whole Bagdad Railway. In the event a line of 90 kilom. was built as far as Ismidt, and that with difficulty; and a branch line was built from Mondania to Broussa. In all a system of 130 kilom. was created. But even

these short lines we could not work, so we leased them to a Company, reserving the right of annulling the lease whenever we wished. In virtue of this right we annulled the lease in 1888. We gave a Concession for Angora to one Borsu.

The guarantee was 18,500 fr. a-kilometre. We gave the Ismidt line also to this gentleman. This Angora line was on the one side to be continued to Cæsarea, on th other a prolongation was made from Eskishehr to Konia. The former project, the prolongation to Cæsarea, it was not found possible to execute.

The Minister says that the continuation of a line from Cæsarea was rejected because it would involve great expense and produce fewer advantages. I do not share this view. I say that the route we are now considering is confronted with a tremendous obstacle in that it meets with the Taurus range at the outset, and the cost of it will be very great. Secondly, I do not think that the revenue yielded by, and the services to development rendered by, the southern route are comparable with those of the northern. Had it been absolutely necessary to choose the southern route, it should have been carried on from Alexandretta and down the banks of the Euphrates.* In this way a very productive region would have been brought into cultivation. The Cæsaren–Sivas route, however, would have passed by prosperous and productive places like Sivas, Kharput, and Diarbekir; whereas the country to the south, *e.g.*, from Aleppo to Mosul, is not so productive, and the regions lower down are quite undeveloped. Consequently, as the receipts will be less, the surplus we shall have to pay for guarantees will be more. For these reasons I cannot share his Excellency's opinion.

Coming to the present route of the Bagdad Railway, the line was first extended to Konia. After that a number of schemes were mooted. These were irreconcilable with our present constitutional form of Government, and so too their outcome, this Convention, is unsuited to the needs of a free country. It was the point of many influences, many interferences. As a matter of fact, when the Concession was given, certain conditions should have been observed. It should have been put to auction, advertised, and then granted. Had there been capitalists offering better terms, it should have been proposed to them. These conditions were not applied. Everything was done secretly, and the arrangement was concluded on orders given from the Palace. To what extent was this well done?. A line of 2,800 kilom. to Bagdad is a great artery, and will certainly be of advantage. But we cannot consider it free from drawbacks, for it might have been made on more advantageous conditions. Railways, as you are aware, are made in two ways: either with kilometric guarantees, or with guarantee of interest. The Government either undertakes to make up the nett receipts per kilometre to 10,000 fr., 15,000 fr., or 20,000 fr., until they reach that sum, or it guarantees as much per cent. interest on the capital invested. We have of old been accustomed to the kilometric guarantee system. With the single exception of the non-guaranteed Aidin line, all our lines are guaranteed. But we have pushed this system to extravagant lengths. Kilometric guarantees in the most civilized countries do not exceed 8,000 fr. We, however, have grown accustomed to pay 10,000 fr. or 15,000 fr. We have even gone up to 18,000 fr. For the Bagdad line we are to pay 15,500 fr. But this figure was arrived at by haggling. At first 17,500 fr. was asked for; but after discussion, and the intervention of certain influences, the Company with difficulty consented to accept 15,500 fr. The direct guarantee per kilometre is 11,000 fr., which corresponds to the capital of the line. But this is not enough. Not only do we pay for the capital, and that at the rate of 11,000 fr., thus securing the interest on the capital, but we also allocate 4,500 fr. for working expenses, a total of 15,500 fr., and a twofold guarantee. It does not stop at this. After accepting the system of guarantee, we separately guarantee interest on this money at 4 per cent. If at least the Company had to provide the money, and the Government had not to raise the capital by a loan! But no. The Government provides the money. The Government goes into debt and gives the money to the Company. This being so, the Company should be in the position of contractor, as the Government borrows the money. Not so. The Government borrows, but the Company does not remain a contractor. If it had to construct the works and hand them over to the Government afterwards, as in the case of the Bekshehr [?] Lake, it might have been a proper arrangement. The Government is borrower, debtor, and guarantor. The Company does not give it security for sustaining the burden of this loan. It asks a guarantee of us, and we have to give the Company security for a debt we owe to others. Thus the guarantees pass all legitimate limits, and amount to three or four times what they ought; that is to say, there is a threefold guarantee—a thing without precedent anywhere. It is not enough that we should be in debt for the capital and that the

* Text not quite clear.

Company should be in debt.* As though it did not suffice that we should guarantee 4,500 fr. for working and 11,000 fr. to secure the capital, we bestow a number of immunities as well. Whatever is imported by the Company for the construction of the line is free of customs duty, and there is a gain of 8 per cent. As this is a loss to the State, the saving should in justice be included in the guarantee. Thus the fixed guarantee of 15,500 fr. is greatly swollen, and becomes, say, 16,000 fr. or 17,000 fr. Another important point is that we borrow money, but do not receive cent. for cent. For each 100,000,000 fr. of debt contracted we receive 85,000,000 of money, so that there is an enormous loss. If the loss of 15 per cent. be apportioned per kilometre, we shall find that it brings the guarantee up to, perhaps, 20,000 fr.—extravagance itself!

In the next place, 269,000 fr. per kilometre is allowed for building expenses. This, too, is extravagant, for nowhere is so great an amount allowed, even for the most difficult railways. An average rate is 150,000 fr. or 160,000 fr. Let us say, however, that this 269,000 fr. is nominal; calculated at 85 per cent., it comes down to 230,000 fr., though the difference of 40,000 fr. or so comes out of the Government's pocket. Even with this mitigation there is a loss, a loss to us, of 70,000 fr. or 80,000 fr. It is we who pay the difference between the nominal and the real price, and the Company incurs no risk. Its position is that of one undertaking a contract, but it is not merely a contractor. It is at once contractor and concessionnaire. And it is a contractor and concessionnaire without money.

What further loss is there? Let us show this also. Allow the Company to make what profit it may. Nobody can prevent that. When it comes to details, the Government cannot see to everything. Consequently during the construction the Company swells the building expenses to that total.† Then there is a second point. On the occasion of each transaction (for a separate financial Convention is made for each section and the necessary money is raised by loan), on the occasion of each such loan there are of course commissions and percentages. Naturally the Government is not the gainer by by these. It loses. Thus in connection with each section we are exposed to certain losses. If these be added to the total of the guarantees, it may easily be understood how greatly it will be swollen.

There is another point, which involves also a loss, in connection with the kilometric guarantees. It is said that if the proceeds of working the line amount to 4,500 fr., it belongs to the Company, and this amount is a set-off. If the proceeds amount to 10,000 fr., the balance of 5,500 fr. belongs wholly to the Government. If they be above 10,000 fr., 60 per cent. goes to the Company, 40 per cent. to the Government. Of these 10,000 fr. the difference of 5,500 fr. between the 4,500 fr. and 10,000 fr. belongs wholly to the Company,‡ and above this 60 per cent. belongs to the Company, 40 per cent. to the Government. Why is this? I can see no sense in it. Since both capital and working expenses are guaranteed, I can see no logic in the Company's receiving 60 per cent. of the proceeds. What actually happens? Suppose there be proceeds amounting to 12,000 fr., 5,500 fr. belong entirely and 40 per cent. of the remainder to the Government. Thus 6,500 fr., say, accrue to the Government. But do not think that this broken-up sum of 6,500 fr. enters the Treasury in its entirety. We pay it to the Public Debt.

There is 11,000 fr. to secure the capital; 4,500 fr. to secure the working expenses. Now . . . .

[There follow two sentences which convey no meaning to me.]

From all this it is evident to how many objections the financial part of the Convention is open.

The Minister has told us that the Convention has no political object, and does not infringe our national sovereignty. That it probably does not interfere with the national sovereignty in any way, I too agree, for I do not wish to give too comprehensive a meaning to the expression "sovereignty." But I am compelled to object that it contains things contrary to our national interests. Thus, in Article 22, the Article most the subject of controversy, it is said that the Company shall have the right to work all mines within 20 kilom. on either side of the line, subject to the Regulations. To this there seems to be no objection on the surface. In reality it is not so. We cheat ourselves, because the Company wishes to take the line past mines. And so it has done. The mineral wealth of the Taurus mountains is well known, and the importance of the mines on the Erghéni region of Mesopotamia is undeniable. In the Kerkuk neighbour-

* Text not clear. † Text difficult to follow clearly.
‡ Sic, in spite of what goes immediately before.

hood there are petroleum springs comparable in richness to those of Baku and America. It flows like a river. So also lower down, towards Bagdad, there are naphtha and petroleum. The Erghani springs are now of no use because of the lack of transport; but if the railway be made, the returns will increase, facilities will ensue. The Company, let us suppose, will work the springs and mines within the terms of the law, on terms of equality. But it will transport its products as cheaply as it wishes. And it enjoys full privileges of exemption for working these mines, &c. Its mining material will not pay customs duty. Who, then, can compete with it on these terms? The rights it acquires amount to a monopoly. The lands in its sphere of influence are more extensive than Switzerland. All the mines are given over to one Company, which indirectly, though not directly, gets a special mining privilege, and for mines unequalled throughout the world.

Again, the Company is to build what factories for bricks and tiles it pleases along the line. It is to get permits, to inform the authorities. But all materials brought for these factories will be free of duty, and in that case how are others to compete? Let them build tile factories, if they will, against powerful capital, means of transport ready to hand, and the advantage of immunity from customs. It amounts to a monopoly of tile factories along a line of 2,800 kilom. This is a second privilege, the more important, because the excellence of the tiles made from the mud of that region is such that, once the railway exists, they will be sent all over the world. Had we got in return for this a reduction of the guarantees, or other modification of the conditions, well and good. There is no such modification. Not only the railway but those extraordinary industries are taken advantage of. The loss to us is indescribably great.

The disadvantages of the conditions do not end here. There is another Article relating to branch lines. At first, for instance, eight branches are to be opened. An Aleppo–Morash branch is dealt with separately; lines from various places to seven or eight places; and a branch to Kharput. The Company has power to build these on the same conditions. It has a right of preference to other persons tendering on equal terms.* At first sight there is no drawback to this, because every one can apply on equal terms. Of what importance is the mere right of preference in favour of the Company which owns the original line? The matter is not in reality so simple. The right of preference amounts really to a privilege, a monopoly. For can we conceive a capitalist coming forward, offering to construct such and such a branch, making reductions, lowering his price, to be told in the end: "Wait till we see whether the German Company will do it on the same terms." Of course the Company will build on the same terms to keep others out; and how can others be expected to come forward with proposals which will certainly end in their having to retreat? I do not believe that others will wish to undertake the branch lines. This is a monopoly which completes the other monopolies. Let us, however, give the Company its due. There is one line which it is building without guarantee—the branch of 30 kilom. to Urfa.

There is another branch—that from Aleppo to a point on the coast between Mersina and Tripoli—which the Company has not preferential but exclusive right to construct on the same conditions as the main line. It will have the same mining rights within 20 kilom. on both sides. This is most exorbitant, and more especially as, for I know not what reason, the Alexandretta question has been neglected. Certainly military objections have been advanced against the main line's passing north of Alexandretta. How far these objections are justified I do not know, but in any case I believe in the necessity of connecting Aleppo with Alexandretta, for it is one of our busiest ports, and the development of that region would be insured by such a line.

The privileges attached to the Concession do not end here. It is not merely a Railway Concession that is given. Besides the mining rights, other rights of preference on equal terms are given. Direct Concessions for harbours are given. We need have no objection to this at Bagdad, Bussorah, and elsewhere. But during the construction of these ports, the Company is to run what steamers it pleases on the Euphrates and Tigris, and is to enjoy a profitable immunity in favour of those steamers. I say nothing against the construction of the ports.

But there is yet another privilege: that relating to antiquities. All ancient remains found during the works are to be taken without permits. The least valuable of these has a moral value. And in the ruins of Babylon Turkey possesses an untouched treasure of ancient remains, which have a material value of perhaps millions. Of the moral value I see no need to speak. Nor does any country wish that ancient remains found in its territory should go abroad.

* These sentences are not very clear.

[*Kussim Effendi.*—Do not trouble. Have this printed, my son. Let us read it all. (A general cry of "Go on! Go on!")]

Ismail Hakki Bey (continuing).—Now among these privileges is the right of utilizing electrical and water power. There may seem to be no obvious objection to this, so long as the Company employs them for its own needs. To me the question is not so simple. The foundation once established, it will naturally have acquired a superior position as compared with other applicants, and this superiority will prevent others from coming forward so long as the Company is in the field. It will have ready on the spot whatever is required to begin work. Its electrical rights will assume practically the form of a perpetual Concession.

In short, what appears on the surface to be a single Concession, amounts in reality to seven or eight. Of the revenue from these various Concessions, only that accruing from harbours is included in the general profits and set against the guarantees. No other source of profit is included in the gross returns of the railway and placed on the credit side. Had they done this, the Government would at least have gained to the extent of paying less in guarantees. But it is not so, and I therefore think it necessary that these points should be modified.

Then there is an Article which provides for the purchase of the line by the Government, and the annulment of the Concession, so that we can escape in case of need. But the terms are such as to make the operation impossible. As it is, we pay a kilometric guarantee. By the conditions of repurchase, the Government is to pay the Company half the gross receipts calculated in some extraordinary way, and not less than 12,000 fr., so that we shall pay a fine of 1,000 fr. per kilometre, and disburse I do not know how many millions annually in compensation. And unfortunately the owner is not then free, as he naturally ought to be, to deal as he pleases with his recovered property, because the Government undertakes to lease it to the Company. We buy back, and we undertake again to give it to the Company. This kind of bargain passes my comprehension.

There are some other minor privileges which call for attention. The first relates to the rapid working of the line, the second to the duration of the Concession for ninety-nine years. There is a practice of giving Concessions for ninety-nine years; why for so long I cannot understand; but call it a practice, and say it is all right. Well and good, if it were only for the line from Konia onwards. But the Haidar Pasha–Konia line was also included, so that the Concession for it also runs for ninety-nine years from that moment—an extension to 120 years altogether. In the second place, the periods will run from the dates of completion of the several sections, beginning with that begun in 1903, or six years ago,* not from the date of the granting of the Concession. Thus if the railway be completed twenty years hence, there will be part of it, the Concession of which will not expire for 119 years—a confused state of affairs.

Again, it is said that the trains are to run 75 kilometres an hour, so the curves are to be made wide and the bridges strong. But as regards the line from here to Konia, the Company's undertaking is given on the condition that the Government shall give 8,000,000 fr., and guarantee 400,000 fr. a-year interest on this amount; and in short the portion from here to Konia is not put in charge of the Company, although it is this same Company which obtained the Concession for it. What would it have mattered if quick trains had been thought of in the past, and the line made suitably. . . . . The line to Konia works at 40 kilom. Well! Let the trains continue to run at 40 kilom. to Konia. The Government cannot have every burden imposed on it! †

Such are the economic aspects of the Convention. What can we do to remedy matters?

Four alternatives suggest themselves to my mind:—

Firstly, to annul the Convention. But this is impossible. We cannot destroy a completed transaction. The rights of others are concerned. For its honour's sake, the Government must respect its signature, even though the signature was given during the despotism. We cannot therefore annul the Convention.

Turning to the question of repurchase, that too, as I have just explained, is an impossibility.

There remain two courses: to arrest the works where they stand, or to modify the Convention. It is in the Government's power to arrest the works where they now stand. His Excellency the Minister admitted this a while ago. He said that there was nothing in the contract in the nature of a stipulation that the money to be provided‡ must be

* Not clearly worded in the text.

† The text of all this paragraph is obscure.

‡ "Karshilik."

guaranteed by the Government. Therefore the Government can stop it where it is, if it so wishes. But in my opinion it is inconsistent with the interests of the country that we should remain without this vital artery, and avail ourselves of the Euphrates and Tigris. But that is another matter. Use can be made of them to a certain extent, but I am not of the opinion that we should dispense with this line because we have these rivers. The course of modifying the Convention we can adopt only under stress of necessity. For what shall we do? We shall say: "Let the work stay as it is, rather than that we should suffer for ever the disadvantages arising from the terms of this Convention; we shall look for some other remedy." The modifications must relate to the points I have mentioned. But if this, too, should prove impossible, what can we do? Can we do nothing?

In my opinion, we have a potent reserve, that is, we have in our possession a means of communication which can compensate for the non-construction of the railway. With a little trouble, we can secure at least half of what the railway will do for us. I mean the Euphrates and Tigris. These rivers are a blessing bestowed by God on this country, a blessing of which we should and can take advantage. Railways are not the only means of transport. Merchandize can more easily be carried by river. In every part of the world rivers and canals are found more suited to transport than railways, offer more security, and are advantageous to the country. Indeed, steamers were run on these rivers in the past, as they still do between Bussorah and Bagdad. At one time they ran as far as Meskeneh. They can only get there when the water is high, because of the "sandras" formerly made for irrigation purposes. These can be got rid of easily and inexpensively, so that steamers can be run to Meskeneh, a place one day distant from Aleppo. Steamers can also be run on the Tigris. After exploding some inconsiderable rocks which there are below Samara steamers can go as far as Mosul. But in whose hands are these means of communication to-day? There are two Companies between Bagdad and Bussorah; one is the English Company called Lynch, which up to the present has worked two steamers in accordance with an arrangement to that effect.* We also have steamers, but as we work them like the Mahsussá our means of transport there sank almost to zero. Merchandize remained unprovided for. This provoked the complaints of merchants—of British merchants. Now a third English steamer runs between Bagdad and Bussorah. We have here a sample of the slackness and improper conduct† of the old régime. Turning to our Ottoman steamers—formerly called the "Ottoman Oman," not the "Hamidié Company"—they were worked up to five years ago by the Mahsussá Administration. Subsequently the Concession was given to the Civil List. The Civil List should now, I think, return a thing to which it has no right. Let this Concession be withdrawn and given by auction to the highest bidder. Let the area of navigation be increased, for, as I have said, even if the railway be built, these steamers should ply, not only to Bagdad, but to Mosul and Meskeneh. I have seen nothing about this in the scheme submitted by the Ministry of Public Works; let us hope they will complete it. Even as it is‡ we at any rate have this weapon in our hands. Bagdad need not be wholly ruined. We shall obtain swift transport. But before availing ourselves of this resource—this instrument—I repeat and entreat that the exorbitant and damaging parts of this Convention should be modified. I shall be told that the last word has been said about the Convention. I am not of that opinion, because the Convention has never been left as it stood. Since the issue of the Firman in 1899 the terms have been changed three times. First they were modified by the Convention we are now dealing with; this, again, was subjected to certain alterations by the financial Agreement drawn up when the line to Aleppo was authorized. I wish to point out that this is not a Convention which has taken final shape and on which the last word has been said. I see nothing to prevent a Convention which has been altered three times from being altered a fourth. Let it then be modified, and let whatsoever steps are necessary for its modification be taken. The Company has been formed as an Ottoman Company; for this reason it has been granted many favours by the Government—will, I am sure, be granted many in the future. As it will have to do with the Ottomans for 99 or 100 years it will maintain good relations with them. The Company will, I imagine, be desirous of enlisting the good-will of a people with whom it has to keep in touch for so long. Why should it run counter to us? It will of course not be in the Company's interest to do so; it will not suit ours if the Company persists in opposing alterations, and of course we shall not treat it with the same favour as of old. This will be to its disadvantage. Rather than that both parties should suffer it will be

* "Hasil olan bir surat-i-tesvié."

† "Mussasebetsizlik."

‡ Text not clear.

better that they should agree on the necessary modifications, and I am absolutely certain that the Company will not fail to afford the necessary facilities. I shall beseech the Minister of Public Works, and entreat him with reiteration, to take the necessary steps with the Company and to effect what modifications may be possible. (Applause.)

Two other points are raised in the interpellation which do not bear directly on the line, but on its terminus: one the question of Koweit, the other that of Railway Concessions not being given in the northern part of Asiatic Turkey. You are aware that it is not only the economic aspects of railways that demand attention—they have also a political importance. In our country especially, a country which has not yet reached the desired degree of development and which is subject to the Capitulations, thousands of things which require considerable capital for the making of them have a political importance—and, indeed, I may say, are open to political objections. The fact is undeniable and I shall proceed to prove it. We have given this Concession to a German Company, which in name and according to the Convention is called Ottoman. Names and technicalities have no importance, however; it is the intention and inner meaning that matter. No one in Europe believed or believes in its being an Ottoman Company. We were said to be leaning towards Germany, and were exposed to much pressure in consequence. Our country became the scene of a race—a struggle. Every one said, "Why should he—not I or we—have the Concession?" Such is the position of weak States. The weakness of such States is not detrimental to themselves alone; it sometimes provokes discord among other States and involves them in calamitous differences. The position of our Empire under the old régime is a convincing proof of this. We behold the melancholy position of Morocco and Persia, which, besides the injury to themselves, cause constant danger, discord, and even war among the European Powers. The political importance of the present question is of this sort, and a long line like this has a special importance. Take the Siberian Railway. I do not court the prospect, but it is true that humanity has been confronted with disasters after the completion of long lines of this nature. After the Cape of Good Hope Railway came the Transvaal war; after the Siberian, the Japanese war. The need for the extension of the Bagdad line arose out of a rivalry. I hope that no such melancholy result may come from this railway in our country; but the fact that it has given rise to a rivalry is absolutely certain. And the Power most injured by this rivalry has been the Ottoman Government, because as the outcome of it it entered into certain undertakings.

When the Firman was first given the Koweit question arose. But upon the opposition offered by England—or, rather, by the British Governor-General of India—this point was left unsettled and passed over in silence. Koweit, as you know, is on the Persian Gulf, close to the mouth of the Shatt-ul-Arab, and has been *ab antiquo* a kaza of the Ottoman Empire—a kaimakamlik. Though it has an exceptional position it is still a kaimakamlik. Indeed, the Kaimakam, Mubarek-us-Sabah, has got the grade of Miri-Mirani. As a result, however, of the slackness of Valis and the misconduct of officials he has usurped authority. Indeed, he slew his brother to become Kaimakam, and I believe his son is now planning to otherthrow him. In order to uphold this disreputable individual the Governor-General of India, Lord Curzon, sent fleets, organized demonstrations. The Conservative party was then in power. This Lord Curzon was of the Imperialist party; indeed, I may say that he carried the policy of Imperialism beyond the wishes of the Central Government. Well, this official claimed that England had certain rights over Mubarek-us-Sabah, and after a correspondence between the British and Turkish Ministries of Foreign Affairs the place acquired a special position. At present, though the Ottoman, not the English, flag flies there, it cannot be regarded as directly under Turkish sovereignty, as may be inferred from the fact that we cannot send troops there. Still, it is a part of the Empire, although as a result of the proceedings* of the Indian Government the English Foreign Office declined to recognize it as an integral part thereof. The territorial integrity of Turkey was guaranteed, they said, by the Treaty of Paris, but that district was not then part of the Turkish Empire. It was occupied during the governorship of Midhat Pasha—that is, subsequent to the Treaty of Paris. Whereas the position that because the territorial intergrity of Turkey was guaranteed by the Treaty of Paris her then frontiers remain fixed,† is an inference that no one could accept. The personality of the State is not confined to one period; it lasts as long as the State survives, and is not restricted to the time of the conclusion of a Treaty.

The terminal point of the line, however, is not at present determined by any express stipulation. We hope that the friendship entertained for us by the English Government

* "Teshebbussat."

† "Muteber."

will not sanction the continuance of this vague and confused state of affairs. Akaba and Koweit are two rings fastened to the ears of Arabia; one on either side. Sound friendship, I consider, comes of reciprocally sincere intentions, and is made possible by insuring freedom from uncertainty. This is England's desire. I do not think she has any important interest in that place. If the line should end at Koweit the greatest advantage will be England's. If there be a safe harbour, England's trade in the Gulf will increase, and the communication with India will become well-ordered and rapid. Besides this material interest she has a moral interest. The Ottoman Government to-day includes the Moslem Caliphate. The moral advantage which will be derived by a Power like England, with millions of Moslem subjects, from gratifying a Moslem Power of this kind is undoubtedly a thousand times more valuable than the trifling material advantage to be derived from claiming a doubtful right over an unimportant place like Koweit, consisting of a few villages. (Applause.) The Foreign Minister is not now here. He is on his way from England. He knows the English well, and they have a special regard for him. We may hope that if he takes advantage of this moral influence and takes steps in this sense with the English Government, he will achieve a happy result. Let these words of mine be not misinterpreted. I declare that I entertain no sentiment of dissatisfaction towards England. (Applause.)

A second point is the prominence given to Russia that no Concession for building railways in the northern part of Asiatic Turkey will be given to any one other than the Turkish Government; that is, that if the Government can itself build any such line it may do so, but it cannot give a Concession to any one else. There is no Treaty to this effect with Russia, but a *note verbale* has passed. This note was managed in a way without precedent between civilized States, and consists of a number of provisions drafted hurriedly and confusedly. At the time at which it passed, however, it embraced a reciprocal undertaking. Now that constitutional Government has been proclaimed, the reciprocal portion of it has ceased to be of effect. One portion of the undertaking—that binding Russia—disappears. Under these circumstances, the other portion too ceases to be of effect *ipso facto*. Russia's undertaking was that certain Ottoman subjects there at that time should not be allowed to return. They have now returned, and with their return the other point in the note fell to the ground in the natural course. And here, again, as I have pointed out in the case of Koweit, this is no advantage to Russia. For even if we be subject to such a restriction, we can raise a loan and build this line ourselves, and no one can prevent us. Even suppose it impossible to provide the money by borrowing, we can find means, one way or another, to build it ourselves, like the Hedjaz line. Why, even under the old régime, a Commission was formed and surveyed Anatolia with this object. I believe it was presided over by Staff Colonel Ahmed Bey. This Commission travelled through Asia Minor and examined the question of building this line in the same way as the Hedjaz line, but secretly. My point is that we can find means to build this line in case of need, so that I can see no cause for the continued existence of this undertaking, which has no sense, except that it humiliates us. It has no advantage for Russia, which, moreover, has itself entered on an era of freedom. The vilayets in question are bounded on one side by free ideas in the Caucasus, on another by the Persian Liberals, and on the third by our constitutionalism. I do not believe that this fruit of tyranny and darkness can last in a place surrounded by three such suns of liberty. If the Russian Government appeals to public opinion* it will, I believe, support us, especially as the Russian Government has shown us the friendship we need in every way during the last six months. The Minister has admitted that during these days especially they are showing us friendship and cordiality. Indeed, I believe that, if I am not mistaken in my information, our Government took action in this sense immediately after the Constitution, and received what was to some extent a favourable and hopeful answer. If we persevere we may hope to be freed altogether from this incubus, and the Minister will certainly not lose sight of the matter. (Applause.)

Bostani Effendi said he had prepared a draft. Ismail Hakki Bey had dealt with the subject so admirably that there was no need for him to make the speech he had intended. He would, therefore, merely hand his draft to the President.

Osman Fevzi Effendi (Erzindjan) thought that Ismail Hakki Bey had exhausted the subject, and that nothing was left for any one else to say. He would merely call attention to a matter which he had dealt with in a draft put in by him, in which he had dealt not only with the question of roads and bridges, but also with that of railways from Sivas to Erzindjan, Erzerum, &c. These lines are of great importance, like the great

* Text uncertain.

line under discussion, both from the point of view of military transport and of trade.* He asked the Minister's views on this subject.

The President remarked that that was another question, and called on Zohrab Effendi.

Zohrab Effendi (Constantinople; Armenian).—The House has, I think, obtained the necessary information on this subject in abundance. I therefore do not intend to weary it with details. It is important to present briefly certain figures which will cling to your memories. Ismail Hakki Bey has indicated only the bases, but these must be reduced to a conclusion which will make the disadvantages arising from them palpable to everyone. Whatever stone we turn up we are confronted with the evils of the despotism. This present business is not a Convention, but a list of benevolences. I shall now state, one by one, by the aid of figures, the great sums which this Convention secures to the Company regardless of all legitimate rights.

Firstly, for building this line the Company receives in round figures 270,000 fr. (or 13,500 napoleons) per kilometre for 2,000 kilometres. Now, it is known to every competent person that lines like this, including the most difficult portions, can be built at from 130,000 fr. to 140,000 fr. (or 7,000 napoleons). There are, it is true, financial expenses, but even including these the average cost for difficult lines may be put at 180,000 fr., or, at the outside, 190,000 fr. If we work out the 270,000 fr. allowed to the Company for the whole 2,000 kilom., and count the interest on the money in excess of this estimate of actual cost, it comes to fully £T. 5,500,000.

According to another Article in the Convention, when the Bagdad Concession was granted the Concession for the Angora and Konia lines was newly extended to ninety-nine years, that is to say, the period already elapsed was wiped out. At first sight, one does not realize the pecuniary loss caused to the Treasury by this extension. But, remember, that if the State proposes to buy up these lines before the expiration of the Concession it is bound to pay certain moneys to the Company. If we calculate those moneys for the difference in time caused by the extension to ninety-nine years hence, the difference in the cost of repurchase comes to £T. 4,000,000.

We possess the right to buy up the Bagdad line whenever we please. This expression "buy" is in itself sufficiently curious. Why? Because the Government itself is having the line built with money which it itself borrows. The Anatolian Company comes in in two ways. Firstly, it acts as intermediary for obtaining the money; that is, undertakes to put the Government stock into circulation. A loan question was discussed recently, Gentlemen. Another form of the Agreement made by the bank! We provide the necessary security. If it be given to the bank, and the corresponding stock be issued, this transaction is effected jointly with the Bagdad Railway Company. The Company, that is to say, acts as our broker.

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The Company is, in the first place, in the position of a party. In the second it is a contractor for the building. As contractor, it has considerable dealings with itself as a party. This is undeniable. The other day in considering the question of the loan with the bank and the price of issue of the stock, we saw interesting things and discovered that there would be a substantial profit. That profit is in part continuous, and has in part been realized.† I have set forth the advantage of the Company's second capacity as contractor. In the third place, it is an exploitation Company, that is, it is a lessee. What advantage is secured to it in this capacity? If the Government wishes to get rid of this exploitation Company (for that is the meaning of the expression to "buy back"), it must pay off in full its debt to the Company as building contractor. This is natural. Over and above that it has to pay 1,000 fr. per kilometre for every remaining year. If, for instance, to-day the Government, satisfied of the disadvantages of its position, wishes to exercise its right of repurchase, which means saying "Lease to us the part already made," we shall have to pay 1,000 fr. for every kilometre. Very well. For 2,000 kilom. we shall pay 2,000,000 fr. We shall pay 200,000 fr.§ (Uproar.) Yes, Gentlemen, 100,000 fr.‡ (£T. 88,000). Multiplied by ninety-nine years it comes to fully £T. 9,000,000. We must pay £T. 9,000,000 if we wish to buy back the advantages secured to the Company as an exploitation Company, unless there are legal grounds for annulling the Convention. We can pay it in a different manner. We can raise a loan and pay annual amounts. These are financial devices, but the cost remains £T. 9,000,000 in round figures.

* Text not clear.

† The whole text of this is obscure, and I have omitted a few lines which I find unintelligible. Even the general drift of the remainder is hard to follow in the text.

‡ *Sic* in text.

There is a fourth point. The trains on the Bagdad line will run at 75 kilom., the Angora and Konia lines at 35. The Company say, "We must run trains at a uniform speed from Haidar Pasha to Bagdad, so let us run them at 75 kilom. on the Angora and Konia line." As the latter line is weakly laid, however, this will necessitate its being strengthened. The Minister of Public Works will therefore have to provide money for this. A sum is assigned for this purpose. The Government has to pay 350,000 fr. for thirty-five years for strengthening the Angora and Konia lines sufficiently to stand speeds of 75 kilom. Nor is this all. For the Company say, "We are not bound to run trains at this rate, and to do so will involve us in additional expense." This is to be met by paying for this portion 350,000 fr. for the whole ninety-nine years of the Concession: £T. 2,000,000 altogether.*

So I may say, Gentlemen, that under these few heads alone the Company receives, outside its legitimate profits, a present of £T. 20,000,000.

The idea of railway construction is everywhere associated with development and prosperity. With us it is the contrary, when we gather together all our recollections of railways. We have ugly memories of the Hirsch Convention. The present is of a nature to make us call that blessed. What are we to do in face of this situation? For we have all more interest, Gentlemen, I think, in the question of the case than in the diagnosis. The question of course, Gentlemen, has—let us not conceal it—a political aspect, an economic aspect, and a legal aspect. It has a political aspect because there are a great many questions relating to the rights and interests of this great railway enterprise floated with German capital which affect our relations with Germany. Those relations have hitherto been good and it is trusted that they will remain good. Hence this aspect must always be kept in view. As regards the economic aspect, the burden imposed upon us is so great, and will be so enormous if the line be continued on to Bagdad, that our economic life will be completely crushed. We are therefore bound to keep this aspect also constantly before us.

The third aspect is the legal one. I shall not pursue this aspect of the question very rigorously. You will say no doubt, "You are a lawyer. As a lawyer you look at things from a lawyer's point of view." Whether you will or not, there is a point appertaining to lawyers in this matter. I do not share Ismail Hakki Bey's view that from the purely legal point of view this Convention cannot be annulled. In view of the advantages secured by it and of the absolute invalidity of certain conditions imposed on the Government, I think that, in case of need, if the Government should be compelled to defend its rights by legal methods, there are many arguments, many legal resources, that can be invoked in its favour. Ismail Hakki Bey said one thing that is practical. What is done is done, he said. As for the future, the question of letting the line be made or not letting it be made rests with the Government. As the Company has to receive certain guarantees from the Government in order to make the line, the Government can on its side decline to give them; the line will not be made, and the Convention will remain a dead letter. This is not a solution. The Convention will remain where it is, but so will the position of the Government in Asia Minor, and so it will continue to remain. This affords no escape. Consequently we can of course not accept it. On the other hand, the Company, seeing that the position of affairs has been discussed in all its minutiæ to-day in Parliament, and realizing that Parliament will, in case of necessity, strike at the foundations of the Convention in order to amend it, the Company will show the necessary dispositions. I propose to the Chamber that a special and independent Commission be formed to study the question of the eventual amendment of the Convention.

(Adjournment for quarter of an hour.)

Third Sitting.

Ali Jenani Bey.—Zühtü Effendi and Ismail Hakki Bey have shown the abuses of the Concession of the railway. I wish to make one point which concerns the Vilayet of Aleppo. The railway between Adana and Mosul passes no place of importance, not even a village of a hundred houses. The line ought to go through Aleppo, which is the centre of Syrian trade.

Now the Company has inserted a special Article with regard to the construction of a line to Aleppo, and without the consent of the Company no one can build this line. The Company is ready to build the line itself, should any other Company come forward to do it on more advantageous terms. Ismail Hakki Bey suggested another route, the

* Text uncertain.

river route: communication is easy as far as Meskeneh, but Meskeneh must be connected with the sea; to-day this can be done under favourable conditions. There are Companies ready to construct a line to Aleppo from Alexandretta and to Meskeneh from Aleppo without demanding a guarantee, but these lines cannot be constructed, because of the Concession given to the Company. In my opinion, this Concession is exceedingly harmful.

Mehmed Emin Effendi (Deputy for Konia) said that the Concession could not be annulled, because they had no compensation to offer the Company.

Arif Effendi.—The Minister says that, according to the Convention made by the Minister of Public Works with the Company, the line from Bulgerlu to Aleppo will be finished in eight years.

The line to be constructed from Konia to Bussorah will be most important; it will cross Mesopotamia. In these parts are millions of Arabs and other tribes living a nomadic life. The Government and the country will derive great profit from the construction of this line. There was a condition that a branch should be made to Diarbekir; now the vilayets of the south of Anatolia, Kharput, Diarbekir, and Bitlis are devoid of all civilization and are in the most desperate condition of all the Ottoman vilayets. I therefore agree with Ismail Hakki Bey that the harmful clauses should be modified and the line built sooner.

Naji Pasha thought that the line might be an artery of life to the country, but the Concession was a poison, because other contractors could be found to do the line much cheaper.

Djavid Bey.—This question is a most important one for our country, both from a political and from an economic point of view. It has occupied the minds of Ottoman Ministers for some fifty or sixty years. They had two great ideas—the one of connecting the East with the West by the Roumelian line, the other of connecting the capital with the Gulf of Bussorah. The former has been accomplished, but you all know the difficulties we met with and that we shall have to bear for some seventy years more the burden of the debt incurred. This question is known under the name of "The railways of Baron Hirsch." The Government issued shares in this railway to the value of millions, and became nominally the possessor of it. Next the Bagdad Railway was mooted, and it was a question well worth considering. It was a grand idea to join up the Caliphate and the Ottoman capital with Bussorah and Bagdad, once the centres of a brilliant civilization, and to restore to the districts round the Euphrates their former prosperity as corn-growing lands in place of their present condition of mud, desert, and ruin. The mere existence of a railway is no great thing; it is the economic and social results which are so useful. But some things are useful at one time and in one place, yet useless at another time and in another place. I wonder whether the Ottoman Government, when making arrangements for the Bagdad Railway, sufficiently pondered over these points. Was the construction of it favourable to our general conditions? Was it considered a most vital matter for us? After it was decided, rightly or wrongly, to build it, was sufficient thought given for the protection of our own interests, taking into account the conditions and guarantees? I fear I must answer these questions in the negative. The present state and condition of our country is certainly not favourable for the undertaking of so great a work as the Bagdad Railway. The construction of a line 2,000 kilom. long, at the cost of not less than 700,000,000 or 800,000,000 fr., is a project, about which not merely a poor nation with a deficit of 10,000,000 fr., but a Great Power with a Budget of millions might well put its head in its hands and ponder before undertaking it. But now we have irretrievably decided to build this line, and we did wrongly. By spending a little here and a little there, by undertaking works costing a few millions each, we should have produced results far more profitable to our country, far more conducive to our prosperity, our civilization, and our economic well-being. And yet our Government has taken this charge upon itself. Was it because it thought that it was for the economic good of the country? No, certainly not. A Government that systematically tried to destroy everything had no such thoughts. That Government thought of nothing but flattery and servility abroad, and arrogance and self-aggrandizement at home. It used to say, "I am building a railway 2,000 kilom. long, which no Great Power can easily surpass!" It made us believe these words and took us in with them. I wish you to remember that everything that the Government did was done from one point of view only—that of gaining some political advantage, whether legal or illegal. But it was not the work of a responsible Government, but of a few Palace officials who directed the affairs of the country. This can be proved by the documents which passed between the Palace and the Minister of Public Works.

There has always been great rivalry between the Powers and the European capitalists in securing the economic enterprises of this country. French and English capitalists made great efforts to secure the Concession of the Bagdad Railway, but without success. It was finally granted to a German Company. The beginning of this German Company in our country was made by the transference to it of the Haidar Pasha–Ismid line. The Government handed over the working of this line, which it had built itself, to the German Company, and at the same time it granted it the Concession to prolong the line to Angora. I have no doubt that in getting this Concession the Company had in view the further prolongation to Bagdad by the northern route. But they gave up the northern route, and obtained a Concession to prolong to Konia. They also got permission to make a branch line to Cæsarea, thereby adopting the central route instead of the northern route. Later they found it impossible to construct the line to Cæsarea, so they adopted the southern route—the present one—and in 1903 the Concession to build a railway to Bagdad was also granted to the Anatolian Company. Do not think that this Concession was given off-hand to the Company, as were the other Concessions. For four years there was an exchange of views between the Government and the permanent and temporary officials of the Company. The preliminary decision was signed in 1315 by Zihny Pasha, Minister of Public Works, and Dr. Simons. From that date till 1319 there were continuous deliberations, during which several clauses were altered and were replaced by harmful ones. It was not the Company's fault nor the Government's, but the fault of the Palace clique. The fact that the line avoids Alexandretta and the fertile lands of Amik, and, starting from Osmanieh, follows an entirely mountainous course, is not an economical advantage for our country. Seeing that there are fertile lands and villages with agricultural produce that it might have passed through, is it an advantage to take it over mountains? If any proposal is made for changing the route it certainly ought not to be rejected. A Company which undertakes economic enterprises for a country ought not to think only of the fixed profit which is assured it by the Government. No Company would wish to see its capital remain for ninety-nine years at 4 per cent.; it would wish to see its business enlarged and to enjoy a bigger surplus; therefore the Company would prefer to make the line over that course which is likely to bring in most profit. There is a great difference between the route settled on and the route suggested. (*Naff Pasha.*—As great as between heaven and earth!) The port of Alexandretta could take an important share of the trade to be carried on at the port of Iskender Pasha. There are some kinds of merchandize that will not bear heavy charges for freight; and how great to-day is the distance between Constantinople and Bagdad! The ports of every coast are the natural outlets for the produce of those parts; Alexandretta is certainly the natural port for the districts of Mesopotamia. Haidar Pasha could never be the natural port for goods coming from Bagdad and Bussorah. Therefore a change is necessary, both from this point of view and from the point of view of the extraordinary fertility of the country of Amik. I am sure that the Company will see the necessity for this change as much as we do. To come to the financial side of the question. This line, like other lines, was to have been built on the basis of a kilometric guarantee. But during the three or four years' debates, which I mentioned above, it was decided that, instead of paying a direct kilometric guarantee, the Government should issue the bonds while Company builds the railway. In most places in Europe the practice has latterly come in of guaranteeing the interest on the capital put into a concern by a Company instead of guaranteeing a certain sum, and there is no doubt that this method is preferable.

The Company is taking a Concession for the line for ninety-nine years, and in return the Government is guaranteeing 4,500 fr. gross working returns, and a kilometric guarantee, which at first was to consist of 15,000 fr., then of 12,500 fr., then of 12,000 fr., and which was finally reduced to 11,000 fr., on condition that the Government issued the bonds. Now the expenses necessary for the building of the line are all to be borne by the Government, but the line itself is to be in the possession of the Company for ninety-nine years; this is of course greatly to our disadvantage. According to my own calculations, it would have been better for us to pay the 12,000 fr. kilometric guarantee and the gross returns and left the Company to raise the capital. However, the Government, or rather the Palace clique, settled things as they are. By the new system, for every length of 200 kilom that the Company undertakes, the Government will guarantee the yearly capital, amounting to some 100,000*l.*, and the interest of the bonds issued to the amount of 269,000 fr. for each kilometre. Had the construction been carried out under the direction of the Government, we should not have criticized the scheme so severely. In the preliminary Agreement signed by Dr. Simons

and Zihny Pasha it was set forth that the Company should start on no construction before obtaining the consent of the Government. But this was afterwards forgotten, and the Government never interfered to find out what expenditure was being incurred, or to take steps to ascertain the amount of bonds which it ought to issue. The Government simply agreed to pay a lump sum of 279,000 fr. for each kilometre. This was of course greatly to our prejudice.

Let us put aside European countries, and compare the railways of India, as being more like the Bagdad Railway in general conditions, and natural features; the highest kilometric cost there is 130,000 fr. per kilometre. There is a great difference between 130,000 fr. and 269,000 fr.! But do not think that this 269,000 fr., all goes to the Company. It was one of the requisites of the Agreement that the bonds should be issued at not less than 81 or 81½. This difference must, of course, be reduced from the 269,000 fr., as far as the Company is concerned; but we incur a debt of the full amount when the Government made the Agreement with the Railway Company, Germany offered us her help and support in procuring fresh sources of revenues.

As a matter of fact, you know that under the old régime it was not so easy for us to increase the revenue, and this was a good thing for us; for had we been free in this respect, we should have had to bear a much heavier load.

As I have said, the Government's idea in making this Agreement was to get Germany's help in raising fresh revenues. But was this help given, or did the Government ever expect that it would be given? No. When the first 200 kilom. of the line were about to be built, the plan of the Agreement was suddenly changed and the project was discussed of giving a security of £ T. 6,000 from the customs receipts.

At that time both the Ministry of Public Works and, I think, the Sublime Porte, violently resisted the then Grand Vizier, Said Pasha, in this. They wrote to the Palace, "We gave the Concession solely with the idea of using it as a means to raise fresh revenues; we absolutely refuse to accept any idea of giving any security for it from the old revenues." Then came a Memorandum from the head secretarial department: "The Angora line is gradually becoming independent of its kilometric guarantee; and so for the present you will be able to pay this £ T. 96,000 from what will be left over from the Angora line guarantee, and don't say a word about it." The Government as usual was compelled to submit obediently. Later on the charge was transferred to the tithes. The first 200 kilom. were managed in this manner; for the four portions decided on but not yet built, making up 840 kilom., the charge is to come from the excess revenue of the Public Debt. Since the consolidation of the Debt, according to the terms agreed upon by the Government and the Public Debt, 75 per cent. of the excess revenue belongs to the Government and 25 per cent. to the Debt, for the Sinking Fund. An Agreement was signed that the 75 per cent. of the excess revenue of the Debt, which belong to the Government should be allotted to the building of the four new sections of the Bagdad Railway.

Of what does the excess revenue of the Public Debt consist? It consists either of those sources of revenue the administration and collection of which is allotted to the Public Debt by the Decree of Mouharrem, or else of those which were mentioned in the Decree, but were not allotted and therefore naturally cannot be by the Debt. This second class of revenue consists of the excess of the customs dues and monopolies, and also the patente tax.

If the Ottoman Government succeeds in carrying out its plan of increasing the customs dues, and also in gaining consent to the five monopolies, we shall be able to make up the deficit which now exists in our Budget, and which must necessarily exist for many years. If it does not succeed on these points, the Ottoman Government must cherish no hope of an increase of revenue. The excess revenue of the Public Debt to-day is £ T. 500,000, of which £ T. 370,000 comes to the Government. But this whole sum is not available, because we allotted £ T. 124,000 to the 1901 Loan, and have therefore no right of ownership over it. If we subtract this, and take off the £ T. 10,000 which it is necessary to put aside as the reserve fund for the Public Debt, there remain £ T. 235,944 excess. This sum would only be sufficient for two of the four portions of the line to be built. For the other two sections, our great hopes lie, of course, in obtaining an increase in the customs dues. The Government has long wished to raise the customs dues from 11 per cent. to 15 per cent.

Two or three years ago the dues were raised 3 per cent. in order to meet extraordinary expenditure in the Macedonian vilayets. On the basis of the amount raised by that 3 per cent. increase, we can calculate that a 4 per cent. increase would bring in £ T. 1,070,000. Besides this we must take into account the fact that our Customs Administration is now in a most disorganized state; when this has been reformed we

shall increase its revenues by 20 per cent., which means £ T. 210,000. So we may expect in all an increase of revenue of £ T. 1,284,000. The 75 per cent. of this, which belongs to the Government, makes £ T. 963,000. Now if we permit this £ T. 963,000 to go towards the construction of the Bagdad Railway, we shall have nothing left. This £ T. 963,000 added to the original £ T. 235,000 gives us £ T. 1,198,000. If we subtract from this the £ T. 1,130,000 required by the Bagdad Railway, we shall have only £ T. 60,000 of excess revenue left. If there were any prospect of great profits coming from the Bagdad Railway in the near future, we might have been able to accept this plan. But we must wait thirty or forty years before the Bagdad Railway will yield any appreciable profit. But our needs will not wait: they grow every day. It is imperative that the Ottoman Government should have some 20,000,000 fr. or 25,000,000 fr. for its most pressing needs. The Government could raise a loan of these 25,000,000 fr., on the security of the excess customs receipts.

I am sure that the Germans, whose economic wisdom will tell them that the progress of this country will be to their own advantage, will not reject such a proposal. If they leave us these excess revenues, and we are successful in applying them to our economic needs, then we shall be able to increase the security for what is built, and easily find securities for the lines to be built to Bagdad and Bussorah. We shall increase the revenue coming from tithes, and from the tax on sheep and goats, and from other sources.

There are then two great points which I wish to insist on: first, the alteration of the route, and in this I venture to hope the Germans will agree with us; secondly, the method of finding a guarantee, and in this I think they will not oppose us. If we are resisted in this, and the German Company claims the excess revenues, then we shall be placed in a most difficult position, and we shall be unable to carry out the increase in the customs dues. We should then be unable to raise the loan so urgently needed, and our economic progress would be retarded, and we should again be troubled by foreign capitalists undertaking our economic enterprises.

These are the changes I propose; and if, when the Convention comes before the General Assembly my proposals are adopted, there will be other questions connected with them. It may be impossible to adopt some of these proposals, but this will not prevent our adopting the Convention. In a country Government succeeds Government, and generation succeeds generation; but each are bound by the same ties as its predecessor. If both parties agree to adjust the most exorbitant parts of our former Agreement, then let us accept the others, even if they be rather burdensome to us, if it be only to make it said that the Ottoman nation is a people who stand by their Agreements, even when made during a reign of self-destruction.

In accepting this, be assured that any prejudice we shall suffer will be amply repaid by the confidence that will henceforth be shown towards us by other nations.

The Minister of Public Works.—First of all I will answer two points raised by Djavid Bey. He says that the railway is to follow the wrong course. That is, that after leaving Adana, instead of going to Osmanié, and then straight to Aleppo, it ought to follow the coast-line and go straight to Alexandretta, then to Aleppo, and thence follow the remainder of the route. When we possess a harbour like Alexandretta we ought to make use of it. While I agree with him in what he said about the great distance it is necessary to convey goods, if we take them to Haidar Pasha and there embark them for Constantinople, I will remind him that we have the port of Mersina in the neighbourhood of Alexandretta, and Mersina is connected with Adana, and therefore that objection of his is disposed of. I do not mean to say that Alexandretta ought not to be connected with Aleppo. From the commercial and economic point of view, it is advantageous, but shall we be able to persuade the Military Commission that it is necessary from a military point of view? The crux of the question lies in this. The other day when I was talking to the Minister of War, I said, "I will come one day myself. You appoint a Commission at the War Office. Some engineers are on our side. We will discuss the matter again, and either you will be persuaded, or we shall." And there the matter has remained. I mean to say that I agree with Djavid Bey from the material point of view, but when it comes to the military point of view I stop. If one of the eventualities they fear should some day come to pass, I do not wish it to be asked, "Who was the Minister of Public Works who allowed this absurdity and brought such disaster on his country?" Is the Minister of Public Works doing everything he can for the safety of the line? Are torpedo-boats being ordered to guard the coasts? I have duly discussed this question with the Company, and they are ready to fall in with the change of route if the Government thinks fit. Therefore, we have no

difference with the Company, and if the Minister of War can settle the point this question will be solved.

Let us come to the other question. Is it likely that our excess customs revenues are in such danger? Or is it likely that any Government would oppose us in this or refuse to help us? In this connection I will again state that by the terms of the Convention it is within our power to stop the line at Aleppo or Gadams, and if need be, we shall avail ourselves of this right. I mean that by the Agreement the line will of course be built to Aleppo. There is one point, however: Will the Government's Budget permit the building of the line beyond Aleppo? Will it be able to do so whether by excess customs revenues or by any other revenues? This is a question which your Cabinet must examine most carefully.

Since every Budget will come here, and every time a fresh loan is made, or papers to be sent to the Company, you will discuss them, it will be quite within your rights to say, "We don't want to go beyond Aleppo; let us stop there." This is a question for future discussion. Now let us pass to those points which all the gentlemen who have mounted this platform have objected to in the Convention. Now let us look at the other side of the question. Many books have been written in Europe about the Bagdad Railway, and there also the opinions of great economists differ. But in the points raised by Zohrab Effendi, Djavid Bed, and Ismail Hakki Bey they are agreed. But must we necessarily accept this consensus of opinion? Is there nothing to be said against it? Let us consider this briefly. When a railway is to be made the first thing to think of is the route. Engineers are sent to decide where there shall be a tunnel and where a bridge, and so forth. They make an estimate of, say, 200,000 fr., 400,000 fr., or 500,000 fr. a-kilometre.

The route is fixed and maps are made after perhaps three or four years' continuous labour on the part of the surveyors.

At the present moment no one knows what the railway will really cost, because these maps are not yet available. So when people come and say railways are made in India for 130,000 fr., and in such and such a place for 160,000 fr., why do they not mention those which cost 500,000 fr. or 800,000 fr.? In such matters it is most important to go by the estimates; but here the estimate does not exist, for the Company itself carried out the investigation without the collaboration of officials of the Porte.

All previous speakers have declared that the Government has taken a heavy burden upon itself; if this is so it argues gross neglect on the part of your Minister of Public Works; happily that is not so. To-day we are paying 200,000 fr. a-kilometre; but taking into consideration certain Agreements, the issue of bonds, and so on, it will be found that less than 200,000 fr. goes into the Company's pockets. I must repeat that this is not an ordinary line; other railways are guaranteed for a speed of 35 kilom., but this railway for 75 kilom.

A railway built for such speeds and 2,000 or 3,000 kilom. is rare even in Europe.

Moreover the Company must take into consideration such contingencies as strikes, increase of wages and salaries, wear and tear during ninety-nine years, &c. And whereas for a 35 kilom. an-hour railway the rails are 30 kilog., for a 75 kilom. an-hour line the rails must be 37 kilog. 240 centig. Have I made you understand, Sir? And the thicker the rails, the thicker the sleepers, and the heavier the ballast. You ought to sit down and make maps and estimates, instead of saying that as this contract was made under the old régime we must necessarily have been deceived. The reason for building a railway capable of such speeds is not because it is to join up Bagdad with Constantinople, but because it will go on to Bussorah, and thus link up India to Europe.

Bagdad, which is now twenty-five days' journey, will then be reached in two days; a traveller from London to Bombay will gain several days; if we attain a speed of 75 kilom. we shall carry the Indian mails, which will represent an annual revenue of, roughly, 300,000 or 400,000 liras. This is why we want such a speed. Some of you say, "It is beyond our power, the cost is too great"; others can see the great advantages; formerly the majority were on the former side; now the discussion is going to begin again. But on the side of speed there is the great idea of Europe, or rather the wish of Europe, that starting from Turkey it should be easy for any one to reach India.

I think there is nothing so exceedingly onerous in this Agreement; there is a burden; of course there is a burden; but without bearing some burden we should never have got the contract accepted.

I am not the only one who thinks that there is no extraordinary burden in this Agreement; many other Ministers of Public Works have shared my opinion.

Some say, "Granted that heavy expenses are necessary to build such a railway, why were other privileges given to the Company?" We have only given such privileges as we give to all Companies. For instance, the immunity from customs duties has been given to them on the same terms as to other Companies. As regards the mines, the Company will, if it finds anything, procure a Firman like any one else, in accordance with the Mines Act.

It is said that powers to manufacture tiles and bricks have been given. If the Company itself did not wish for this, we ourselves might remember that in the regions traversed there are neither tiles nor bricks nor makers of tiles. They will now be made admirably by a Company, and both the inhabitants and the Company will be gainers. If there is any difference between its being done by this Company or another Company, it lies in the fact that this exists, so that it can be done more quickly. Had it been said that the tiles, &c., will be sold dear, that the Company will sell to the inhabitants at a high price and to its own people at a low one—had there been conditions of this kind I should have nothing to say. But there are and can be no such conditions. Power to make bricks and tiles, as anybody else may make them* are given because there are none there. The Company will have stations. It amounts to giving them powers to make stations.

One thing has been said, Gentlemen, in which there is justice. But this just remark must be taken with a reservation. It is said that if any one else wishes to make a line along the coast from Tripoli to Mersina, the Company has a right of preference. I reply by asking what danger is anticipated. A question arises similar to the Alexandretta–Aleppo one.† The remedy lies in the fact that, if the Government itself or the inhabitants themselves make the line, the Company has no right of interference. The Company says, "If you give a Concession to any one else . . . .," but if the Government or the inhabitants make it, there is no Concession, and it has nothing to do with the Company. What is the Company's object? To prevent other foreign Companies coming in with tariffs which would interfere with its plans for the working of the Bagdad line. And you are aware that the returns of the Bagdad line are important to us. If it yields no returns the burden will be enormous. But if, as we hope, if, as I said a while ago, Gentlemen, we take the Indian trade, and passengers, and mails, if we serve such purposes as these, what will be the position? The returns will be so great as to make the sacrifice reduce itself within reasonable limits. There are other advantages too. Are we to refrain from building the line because of the economic burden on the Government? Suppose the question discussed to-morrow, what shall be said? Shall we say, "We have no money, let us not build," or "Let us stint and starve ourselves, but let us make the line!" To me it seems that we shall say the latter. For if we begin thus, we shall see the strength of this our country; its future will be bright and great; but if we begin in that other way it will be a misfortune both for you and for us; for, from the economic point of view, if there be railways in a country, the returns increase, the people advance in civilization, the nomad element settles, and order is everywhere more assured; the transport of produce is facilitated, and our plans and the services we hope to render in Mesopotamia and in the Shatt-ul-Arab region are so great.‡ The country will possess these things. As the receipts increase, the wealth of the country will increase; and as the wealth of the country increases, the receipts from the railway will increase.

The upshot of our whole debate, then, Gentlemen, is that for ten, twenty, or thirty years we shall suffer inconvenience; but after those years our children and our children's children will reap the benefit. Even if we do not behold this benefit to-day, we cannot close our eyes to it, and I do not think you will recommend to me that the Ministry of Public Works should serve you in any other way.

The President having asked whether the explanations given seemed to the House sufficient, *Yussuf Kemal Bey* asked that the debate should be adjourned till next Saturday. Whereupon the House rose.

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* Text obscure.

† The text of all this passage is uncertain and incoherent

‡ Text very incoherent throughout this passage

[10066] No. 56.

India Office to Foreign Office.—(*Received March* 16.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Viscount Morley, forwards herewith, for the information of the Secretary of State, copy of inclosure in a letter from the Foreign Secretary to the Government of India, dated the 4th February, relative to the attitude of the Turks towards the Sheikh of Koweit.

India Office, March 15th, 1909.

Inclosure in No. 56.

Government of India to India Office.

(Confidential.) *Calcutta, February* 4, 1909.

MAJOR COX reports that Sheikh Mubarak of Koweit, who has extensive date gardens on the Turkish bank of the Shatt-el-Arab at and around Fao, recently found an opportunity of purchasing other gardens. He had put through the preliminaries, and all that remained was to get the deed legalized by the Bussorah authorities.

The new Vali, who has shown rather aggressive tendencies, refused to allow the completion of the bargain unless Sheikh Mubarak described himself as an Ottoman subject.

This demand had never been made in the past, and Sheikh Mubarak asked Cox, when he visited Koweit on the 29th December, 1908, to move Crow, our Consul at Bussorah, to get the objection withdrawn. Cox saw Crow, who said that the demand was unwarranted, and that it had never been the custom in the past. He promised to see the Vali, and if necessary to refer the matter to the Embassy. Crow subsequently telegraphed to Cox to say that the Vali was obdurate, that he had made a reference to the Embassy, but that the latter replied that they did not want to raise the issue now.

In the circumstances there does not appear to be any room for action at present, but should further developments take place Major Cox will report officially. In the meantime His Majesty's Secretary of State will perhaps be interested to hear of this incidental attempt on the part of the Porte to claim the Sheikh as an Ottoman subject.

I have, &c.
(Signed) H. BUTLER.

[9666] No. 57.

Sir Edward Grey to Sir G. Barclay.

(No. 32.)
Sir, *Foreign Office, March* 17, 1909.

WITH reference to your despatch No. 10 of the 22nd January, transmitting copy of an amended note which you had received from Saad-ed-Dowleh on the subject of the Bahrein claim, I have to inform you that your action in accepting the arrangement reported in your above-mentioned despatch is approved.

At the same time you should impress upon the Persian Government that His Majesty's Government cannot consider this arrangement as final, that they maintain their original attitude on the subject, and that they will be guided entirely by their own views of the position should any action of the Persian authorities make it necessary.

I am, &c.
(Signed) E. GREY.

[10681] No. 58.

India Office to Foreign Office. - *(Received March 20.)*

Sir, *India Office, March* 19, 1909.

WITH reference to my letter of the 23rd January, 1908, concerning a proposal by the Government of India to comply with a request of the Sheikh of Koweit's to be granted two guns for saluting puposes, with ammunition, of which half was to be shell, I am directed to inclose copy of a further telegram from the Viceroy, dated the 3rd instant, recommending that the Sheikh, who is insistent in the matter, should be given the guns with blank ammunition, and should be told, as regards his request for shell, that the question must be postponed on account of Turkish susceptibilities, which it would be undesirable to rouse at present.

The postponement of the question of the supply of shell removes to a considerable extent the objections expressed in my letters of the 19th December, 1907, and the 23rd January, 1908, to granting the Sheikh's request in the form in which it was originally submitted by the Government of India.

I am to inclose the draft of a telegram which Lord Morley would send to the Viceroy,* approving the present proposal, if Sir E. Grey is satisfied that this can be done without undue risk.

I am, &c.
(Signed) A. GODLEY.

Inclosure in No. 58.

Government of India to Viscount Morley.

(Telegraphic.) P. *March* 3, 1909.

REQUEST by Sheikh of Koweit for supply of shells with guns for saluting purposes.

Please refer to my telegram dated the 7th January, 1908.

Sheikh is stated by Resident, Persian Gulf, who visited Koweit recently, to have been insistent on the subject. Resident suggests that question of shell should be postponed, and that guns and blank ammunition should be supplied to the Sheikh, and with an explanation that a gift of shell might have the effect, which is undesirable at present, of arousing Turkish susceptibilities. If His Majesty's Government see no objection, we propose to approve Resident's suggestion.

[10682] No. 59.

India Office to Foreign Office.—*(Received March* 20.)

Sir, *India Office, March* 19, 1909.

I AM directed by Viscount Morley to inclose herewith, to be laid before the Secretary of State for Foreign Affairs, copy of a telegram from the Viceroy, dated the 22nd ultimo, proposing to comply with a request made by the Sheikh of Koweit, for a loan of 2 lakhs (13,333*l.*), to be repaid in two yearly instalments, without interest, and with the sole condition that, pending repayment, the Sheikh shall not borrow elsewhere.

The proposal involves no direct charge upon the public revenues, inasmuch as no interest is paid by the Imperial Bank of Persia on the Bushire Treasury balance from which the money will be provided.

Lord Morley would recommend that the Government of India's proposal should be approved, subject to a further consideration of the question whether interest should not be charged in the event of any default or delay in repayment of the loan on the dates specified, and on condition that any loss arising from the transaction shall be shared equally between the Imperial and Indian Exchequers.

* Draft of a telegram

As regards the risk of default in the repayment of the loan, I am to observe that His Majesty's Government have the security of the rental (1,000*l.* per annum) which is paid to the Sheikh for the lease of his foreshore.

I am, &c.
(Signed) A. GODLEY.

Inclosure 1 in No. 59.

Government of India to Viscount Morley.

(Telegraphic.) P. *February* 22, 1909.

POLITICAL Agent, Koweit, has received application from Sheikh for a loan, interest free, and repayable in two annual instalments, of 2,00,000 rupees. The Sheikh who has been purchasing land extensively, explains that the reason of his needing ready money is partly that his brother, Sheikh Khazal, has asked that payment of this year's instalment of large loan due to Sheikh Mubarak may be postponed, and partly that he has made large advances to pearl merchants, whom he cannot press for immediate repayment. Political Agent suggests that we might take the opportunity to press for settlement of rent of Agency house (see correspondence sent with weekly letter of the 10th September, 1908), and of question of quarantine. Resident, Persian Gulf, gives application strong support, and is of opinion that we should grant loan, independently of any political advantages that might be taken of it. For political reasons, and in order to prevent possibility of Sheikh applying elsewhere for pecuniary assistance, we consider it desirable that the required advance should be made, interest free, on condition that it is repaid in two annual instalments, and that Sheikh shall not borrow from other sources pending its repayment. No difficulty in procuring repayment is anticipated. Sheikh repaid promptly (see our despatch of the 11th September, 1904) the loan of 1,00,000 rupees advanced in 1904. We concur in Resident's view that settlement of quarantine or other questions should not be made condition of advance. Treasury balance at Bushire can provide the amount of the loan. We should be glad if sanction could be communicated by telegraph, as loan is required by the 22nd March, and early notice of transfer is required by Imperial Bank of Persia.

Inclosure 2 in No. 59.

Viscount Morley to Government of India.

(Telegraphic.) P. *India Office, March* 10, 1909.

LOAN to Sheikh of Koweit. Your telegram dated the 22nd ultimo.

Please say what is rate of interest paid on Bushire Treasury balance by Imperial Bank of Persia. It will be necessary to ask His Majesty's Government to bear a moiety of any loss, including loss of interest, that loan to the Sheikh on terms you propose may occasion.

Inclosure 3 in No. 59.

Government of India to Viscount Morley.

(Telegraphic.) P. *March* 13, 1909.

LOAN to Sheikh of Koweit. Your telegram dated the 10th March.

No interest is paid on Bushire Treasury balances by Imperial Bank of Persia.

[10680] No. 60.

India Office to Foreign Office.—(Received March 20.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Viscount Morley, forwards herewith, for the information of the Secretary of State, copy of a telegram from the Viceroy, dated the 10th March, relative to the proposed loan to the Sheikh of Koweit.

India Office, March 19, 1909.

Inclosure in No. 60.

Government of India to Viscount Morley.

March 10, 1909.

(Telegraphic) P.

KOWEIT. Loan to Sheikh. Please refer to my telegram dated the 22nd February. Telegram from Resident, Persian Gulf, reports that Sheikh is evidently very keen on getting the loan, and is making anxious inquiries for reply on the subject.

[10791] No. 61.

Sir G. Lowther to Sir Edward Grey.—(Received March 22.)

(No. 177.)

Constantinople, March 10, 1909.

Sir,

WITH reference to my despatch No. 100 of the 13th ultimo, I have the honour to report that the question of the refusal of the Moslem students to attend the compulsory religious services at the American College at Beirout still remains unsettled.

The final decision in the matter must remain with the Board of Trustees in New York, who must exercise their responsibility in accordance with the provisions under which they obtained their Charter.

There are two questions that seem to enter into the situation: First, the question of compulsory chapel, and the question of the control of the institution. With regard to the latter, it is not a student, or a body of students, or public opinion, or the Turkish Government that controls the institution, but the Board of Trustees acting in accordance with the laws laid down by their Charter.

The Director of the College cannot on his own initiative change the Regulations, but the present idea is to divide the offenders into two categories, and to treat those who from conscientious scruples decline to attend chapel leniently, and not to impose on them extreme measures; but the Faculty proposes to deal severely with those who desire to resist College authority and to assert their own authority in its place. This will no doubt mean the expulsion of many who maintain their defiance of College authority, which may possibly lead to trouble in this College and encourage others in like institutions to follow their example.

The College, I may observe, is placed in a very difficult position, and cannot well adopt what would appear to be a rational point of view and abandon altogether the Christian services for Moslems, as they are dependent for their funds on charitable Americans, who no doubt have at heart not only the education of the people of this country, but also a desire to proselytizing, however much in form this latter may be concealed.

I have, &c.

(Signed) GERARD LOWTHER.

[10802] No. 62.

Sir G. Lowther to Sir Edward Grey.—(Received March 22.)

(No. 191.)

Pera, March 17, 1909.

Sir,

WITH reference to the statement contained in the Memorandum of my despatch No. 740 of the 4th November, 1908, that the bonds for the loan "Series 2" for the further construction of the Bagdad Railway, had not yet been handed over, in

accordance with Article 2 of the contract of the 2nd June, 1908, I have the honour to report that I now learn that they have been handed over.

But you will perceive that by paragraph 3 of Article 35 of the original contract of the 5th March, 1903, "Le concessionnaire devra bonifier au Gouvernement Impérial ottoman les sommes que celui-ci aura payées pendant la période de construction pour le service des titres remis au concessionnaire. . . . . c'est-à-dire, jusqu'à la date de la réception provisoire de chaque section de chemin de fer," that is to say, no money passes in payment of interest on the bonds till a section of line is completed and handed over in working order.

No further construction has been accomplished, and no interest is therefore due from the Ottoman Government on account of these bonds.

I have, &c.

(Signed) GERARD LOWTHER.

[11023] No. 63.

Sir W. Willcocks to Mr. R. Graham.—(Communicated by Mr. R. Graham, March 22.)

Dear Graham, *Bagdad, February* 14, 1909.

THE inclosed may interest you. I find travelling over the country that the development of this country will come much more quickly than I had expected. We have 16,000,000 acres here, of which 6,000,000 acres can be irrigated like Egypt with the water available, while the remaining 10,000,000 acres can be irrigated as pastures and produce millions of sheep. The pasture land needs only flooding, and that will be done readily the day we have weirs. I am acting on Sir Eldon's advice (though at first I did not think I could or should), and am designing economical works to begin the development straight away. The irrigation of the 10,000,000 acres of pasture land (which I had not at first thought of) has given a new direction to my project.

I hope to travel viâ Aleppo, Adana, and Konieh, to Constantinople, 20th April to 20th May, and then Egypt, when I hope to meet you.

Yours sincerely,

(Signed) W. WILLCOCKS.

Inclosure in No. 63.

Letter addressed to Mr. R. Graham respecting Babylonia.

(Private)

I HAVE been very carefully examining the country between Samarra and Babylon (Hilla), part Bagdad or Ctesiphon, and have had a special opportunity, owing to the fact that I am spending 30,000*l.* on the repairs of the Hendia Barrage, and the first thing that strikes me is the fact that all possibilities of the real development of this country depend as much on a railway direct from Bagdad to the nearest port on the Mediterranean as on irrigation. The best route is Bagdad, Hit, Anah, Der, Aleppo, Alexandretta—and the next best is Bagdad, Hit, Anah, Der, Palmyra, Damascus, Beirout. These are the two real trade routes of the country. Both are under 600 miles. Nearly everything we produce goes to Europe, and very much of it to the Eastern Mediterranean countries. What we chiefly want are European goods and cheap coal. This is a country strongly devoid of fuel, and we pay for coal in Bagdad 3*l.* 15*s.* per ton by the time it has gone through the Suez Canal to Bussorah and come up to 520 miles of the Tigris. Now, if we had a railway direct from the Mediterranean we should have coal here as cheap, at any rate, as it is at Assouan, which is considerably more than 600 miles from Alexandria. The railway, moreover, which ran from Beirout or Alexandretta here would have cheap coal brought on the Mediterranean, and not dear stuff bought in Bussorah and Bagdad. The Euphrates Valley is very rich and can be irrigated, and is irrigated very cheaply by water power the whole way, as the current is strong enough to turn wheels and lift water. It is too strong for navigation. We here are a great grain-producing country with unlimited capabilities for extension, and the whole goes to the Eastern Mediterranean and Europe. What, however, has struck me more than anything, and I am preparing my projects accordingly, is the fact that the country is even more a sheep- and cattle- and horse-breeding country than a granary. We can irrigate with the supply at the rivers 6,000,000 acres, but we can irrigate in addition, as pastures, 10,000,000 acres on which millions of sheep and cattle could feed.

All these would go west. In a year of drought like this sheep are worth a song, because they cannot be got out of the country (and droughts are common here). If we had a railway to the Mediterranean direct, the transport for sheep and cattle alone would occupy a line the whole winter, and then would come the harvest of wheat, barley, and winter cereals, and then the summer harvest of rice and Indian corn, all going west. Turnips for sheep feeding are grown over large areas, and could be grown over tens of thousands by irrigation the day we have weirs. The turnips are very fine, indeed the best I have seen, and as they are a winter crop here swedes and mangolds would do well. The 12 per cent. lime in the soil and water are excellent for all animals, and the animals of this country are in consequence very fine. All this needs an outlet on the Mediterranean.

A railway from Bagdad to the Mediterranean would fill the country with visitors, who would see for themselves, bring money into this country and open it. If the Nile opened into that hole-and-corner place, the Persian Gulf, and not into the Mediterranean, and there was no railway connecting it with the Mediterranean, the value of the produce and the land of Egypt would fall over 100 per cent., if not 200 per cent. The more I think, study, consult local merchants, and understand the country, the more I am convinced that in a Euphrates Valley railway lies the development of the country. The Euphrates Valley can produce, and does produce, every kind of fruit to perfection, and the valley, compared with what it was fifty years ago, is already another world. To transport wheat from Bagdad to Bussorah costs 1*l.* 8*s.* per ton, and from Bussorah to London (including transhipping) 1*l.* 2*s.* or 2*l.* 10*s.* per ton. Put that on Argentine and Canadian wheat and you would strangle the trade.

Mesopotamia could produce some 4,000,000 tons of wheat barley for export, and, without exaggerating, many millions of sheep, all for the West. English trade would benefit immensely, for English goods would come direct here instead of going round by Aden and Kurrachee and Bussorah, while the trains would take back all the things England needs.

I say nothing of oil seeds, excellent haricot for sugar, and cotton which we can produce. They would be an additional asset. And all that is needed is under 600 miles of railway, the whole length of which very nearly is capable of being cultivated, and in ancient days was cultivated and thickly populated. The population to-day is increasing by leaps and bounds, in spite of every discouragement to transport.

Bagdad, February 14, 1909.

[11416] No. 64.

Euphrates and Tigris Steam Navigation Company to Foreign Office.—(*Received March* 25.)

3, *Salter's Hall Court, Cannon Street, London, March* 24, 1909.

Sir,

I HAVE the honour to inform you that I have received a telegram from our agents at Bagdad stating that our river steamer, the packet steamer "Khalifah," has been attacked four times by Arabs during her last voyage from Bussorah to Bagdad, but without casualties. His Majesty's Consul-General for Bagdad was on board the "Khalifah," which appears to have been escorted by a gun-boat. The telegram states that the Arab tribes between Ali Gharbi and Gurnah are in revolt.

In our letter to you of the 21st October last we expressed our willingness to waive our claim for damages in connection with the previous attack on our packet steamer "Blosse Lynch" in the hope that the local authorities at Bagdad and Bussorah, being warned of the serious consequences which might follow a further incident of that nature, would take the necessary measures to protect our steamers. Evidently no steps have been taken to guard against a recurrence of such incidents. I am therefore directed to suggest that our claim for damages in respect of the attack on the packet steamer "Blosse Lynch" be revived, and that a further claim in respect of the present attack be notified to the Turkish Government.

I am, &c.
(Signed) H. W. MACLEAN, *Secretary.*

[11530] No. 65.

Euphrates and Tigris Steam Navigation Company to Foreign Office.—(*Received March* 26.)

3, *Salter's Hall Court, Cannon Street, London, March* 25, 1909.

Sir,

I HAVE the honour to confirm my letter of yesterday informing you of an attack by Arabs on our packet-steamer "Khalifah."

I have since received a telegram from our agent at Bussorah stating that the Hamidieh Company's steamer "Bagdad" arrived there on Wednesday with two killed and four wounded, having sustained a severe attack at Abu Sijrah, and that he considers the disturbances are of a serious character. Our packet-steamer "Mejidieh," which passed Kut about the 23rd instant, is now due at Bussorah.

I have, &c.
(Signed) H. W. MACLEAN, *Secretary.*

[11701] No. 66.

Colonial Office to Foreign Office.—(*Received March* 27.)

Sir,

Downing Street, March 26, 1909.

I AM directed by the Earl of Crewe to acknowledge the receipt of your letter of the 22nd instant, forwarding a copy of a telegram sent by the Ambassador at Constantinople to the High Commissioner of Cyprus, asking on behalf of the Turkish Government for the commutation of the death sentence passed upon certain Moslems of Magossa.

2. It is not clear to his Lordship—who has not received any previous information as to the facts of this case—whether the Turkish Government is intending to put forward again the pretension that the Sultan proposes the prerogative of pardon in respect of Mussulman subjects in Cyprus, a claim which was urged in the case of Hussein in 1887, but was rejected by Lord Salisbury in his note to the Turkish Ambassador of the 9th January, 1888.

3. His Lordship presumes that Sir Edward Grey concurs in the views expressed by his predecessor on this subject. Should this be the case, and should it be the case that the Turkish Government is endeavouring to revive their former contention, Lord Crewe would suggest that it might be worth while to call Sir G. Lowther's attention to the correspondence of 1888, in order that if a similar claim is put forward he may know how to deal with it.

I am, &c.
(Signed) FRANCIS J. S. HOPWOOD.

[11843] No. 67.

Sir G. Lowther to Sir Edward Grey.—(*Received March* 29.)

(No. 200. Confidential.)

Sir,

Pera, March 22, 1909.

I HAVE the honour to transmit to you herewith copy of a despatch which I have received from His Majesty's Vice-Consul at Mosul, respecting a Petition for protection made to him by certain Chaldean villagers of El Kosh who have reverted from the Roman Catholic to the Nestorian Church.

The Vatican first secured a footing among a large section of the followers of the Nestorian Church in the eighteenth century, and gradually pushed their doctrines (keeping them, however, altogether in abeyance at first); but in 1869 a great schism was caused by the Bull announcing the dogma of papal infallibility, as well as by the abolition of their peculiar institutions and canons and their direct subjection to the See of Rome. It will be seen that Mr. Young is not very sure of the grounds of this movement, but it is presumably an awakening, probably owing to some slight fresh step forward on the part of the Catholic clergy to the differences in doctrine between Nestorianism and Rome, which are very great, *e.g.*, the former believe in the monophysite nature, do not call the Virgin Mary "Mother of God," nor acknowledge transubstantiation or purgatory, and they administer communion in both kinds. The

present trouble appears to have been raised by a body of persons who prefer their spiritual welfare to the secular advantages of cheap education and French protection, which, despite the separation of Church and State in France, seems still to be extended to these wandering sheep. It is also likely that, while French protection was very necessary when they accepted Catholicism, *i.e.*, under the old régime, they now consider themselves safe under the Constitution, Article 11 of which lays down that "l'Etat protège le libre exercice de tous les cultes reconnus dans l'Empire et maintient les privilèges accordés aux diverses communautés, à la condition qu'il ne soit pas porté atteinte à l'ordre public ou aux bonnes mœurs." In view of this provision, the Vali has acted unconstitutionally if, as it appears, he attempted to interfere with their religious liberty.

Except for a benevolent interest on account of the Archbishop of Canterbury's mission, we do not seem to have undertaken any special protection of the Chaldeans. (In 1895, Said Pasha, then Grand Vizier, protested against our representations on behalf of Mar Shimun, though he was prevailed upon to accept them.) His Majesty's Government appears, however, while never giving exclusive protection to any particular sect in Turkey, to have been always ready to grant such help or protection as they properly could to all religious communities—whether Christian or Moslem—alike, endeavouring to obtain for them just treatment and freedom from persecution, and, in approving Mr. Young's conduct, I have informed him that he may, if he thinks proper, intervene unofficially and very guardedly to induce the local authorities to accord such just treatment to these people.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure in No. 67.

Vice-Consul Young to Sir G. Lowther.

(No. 8. Confidential.)

Mosul, February 13, 1909.

Sir,

I HAVE the honour to report to your Excellency the circumstances under which a petition (the substance of which is given hereafter) has been presented to this Vice-Consulate.

The village of El Kosh, situated about nine hours from Mosul, is inhabited for the most part by Chaldean Roman Catholics, *i.e.*, by people of Nestorian origin who, within the last sixty or a hundred years, have seceded from Mar Shimun and placed themselves under the authority of the Pope. I have always understood that this village is one of the strongholds of Roman Catholic, *i.e.*, French, influence in this district. Latterly, however, there have been rumours of a tendency among these Chaldeans to return to their ancient Church. I am not very sure of the grounds of their discontent, but it seems to have made itself more evident since the proclamation of the Constitution. On more than one occasion lately villagers have tried to sound me evidently with the idea of extracting a promise of protection in the event of their reverting to Mar Shimun. I have carefully refrained from doing anything of the sort because, as your Excellency is aware, my instructions are to occupy myself with commercial matters, and contain no reference to the Jacobites and Nestorians (who are regarded here as being under British protection), and still less do my instructions contain anything which could be construed into an authorization to encourage other Christians, at present under French protection, to join either of these Churches. Mar Shimun, the head of the Nestorians, is aware of my attitude in this matter.

The Petition which has just been presented (in Syriac) purports to be signed by sixty villagers of El Kosh, and is to the effect that they have thrown off their allegiance to Rome; that they have sent a priest, accompanied by three deacons and one of their principal men, to Mar Shimun to be consecrated bishop; that they would rather become Moslems than go back to Rome; that under the new régime there is freedom of conscience for all; and, finally, they invoke the protection of the British Government.

The significance of this would seem to be that if Mar Shimun consecrates this priest or bishop, and he returns to El Kosh, it is very possible there will be a commotion there on his arrival. I am told it is probable that a number of villagers will at once declare themselves Nestorians; and, from what I hear of the methods of the Chaldean priests, they are not likely to be scrupulous in the means they adopt to repress a movement so detrimental to their interests. The Roman Catholic Chaldean Patriarch is at present at Baghdad, but as soon as Archbishop Stephan (his representative) heard

of the departure of the El Kosh priest for Qudshanis he seems to have prevailed upon the Vali to send instructions to Dehok and other places to have the party stopped and sent back to El Kosh. These instructions arriving too late, his Excellency then telegraphed to Van requesting the Ottoman authorities in that vilayet to put obstacles in their way.

I have not replied to the Petition, nor given any reason to believe that I shall abandon the attitude I have hitherto maintained of strict neutrality as regards local intrigues, religious or other; but it seems desirable to report the matter to your Excellency, and in doing so to draw attention to the fact of the local authorities having arbitrarily interfered in a purely sectarian matter at the bidding of one of the parties interested—a proceeding which obviously cannot be in accordance with any instructions they have received from Constantinople.

The step which these villagers have taken in separating themselves from the powerful protection of the Roman Church seems rash and particularly inopportune, in view of the present state of affairs. But it is of course a perfectly legitimate step; and, as they have received no sort of encouragement from this Vice-Consulate, they can only have taken it in the belief that the Turkish Government will give them fair play.

Under the old régime the local authorities in Mosul were, in all matters as between Christians and Christians subservient to the Roman Catholics, who have great funds at their disposal, and are supported by French influence. They (the Roman Catholics) have a great establishment here, and give free instruction to several hundred pupils; and in one way and another seem to have deserved extremely well of those who have placed themselves under their protection. Such admirable efforts, backed as they are by French official support and by financial assistance from Rome, perhaps not less than 7,000*l.* a year, might be expected to succeed in a district such as this on their own merits; and it would seem that there is neither occasion nor excuse, under a Liberal Government, for the intervention of the local authorities in support of their propaganda.

Uncalled for and unjust as the proceedings referred to appear to be, I have, for the reasons given, taken no part whatever in the controversy; and, in absence of other instructions, I propose to continue merely to watch and report what takes place.

I have, &c.
(Signed) H. E. WILKIE YOUNG.

[11845] No. 68.

Sir G. Lowther to Sir Edward Grey.—(Received March 29.)

(No. 202.)

Sir,

Constantinople, March 23, 1909.

I HAVE the honour to forward herewith a Memorandum from His Majesty's Consul-General at Bagdad.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure in No. 68.

Memorandum.

(No. 17. Confidential.)

1. *Young Turks and Persia.*—I think that there can be little doubt that some of the Young Turks are supporting the revolutionaries in Persia. Of the three original Representatives of the Young Turks who came to Bagdad one is Hamdi Bey and another is Suriya Bey. A Persian Liberal Committee has recently been formed in Kazimein, under the presidency of Mirza Ibrahim Khan, who was recently dragoman to the Persian Consul-General at Bagdad. I know that this man was, and very likely is, on intimate terms with Hamdi Bey. A Committee has also been formed at Nejf, and this has received the open sympathy of Suriya Bey.

A short time ago a telegram came from the Persian Committee at Constantinople to the Kazimein Committee telling them to protest against foreign loans to Persia; a few days afterwards I received protests from the Kazimein Committee and also from some of the leading Mujtahids at Nejf. This shows pretty clearly that the centre of activity has shifted from Nejf to Constantinople, and affords reason for thinking that the Young Turk assistance has probably influence this change.

2. *British post office at Baydad.*—A friend of mine told me that after going over the Residency grounds with me the Wali had remarked that we had obtained the site for the present Residency by fraud ("khianat"). A short time afterwards a discussion came up as to the best site for the new custom-house. The Customs officials want the custom-house rebuilt on its present site, and it is said that the Wali and the Young Turks want it built outside the town, and downstream of the Residency. I have been told by an official in a very responsible position that one of the chief arguments used in favour of a change of situation is that if the custom-house is below the Residency there will be no excuse for the mail steamer bringing the mail direct to the Residency before calling at the custom-house. The official said that he looked upon the argument as childish, and I do not think he was trying to draw me. I merely said that it would use very little coal to come the few extra yards that the Residency will be above the proposed site for the custom-house. It will be remembered that when the present site of the Residency was being acquired the Turks agreed, on the condition that the mail steamers should not stop opposite the new house. Although we never expressed acceptance of the condition it is possible that the Wali did say that we had obtained our present site by fraud and we may therefore expect attacks on our post office here as soon as an opportunity presents itself.

3. *Smuggling through Koweit and Mohammerah.*—The Nazir of the Bagdad custom-house has recently been at Bussorah. He tells me that there is an enormous amount of suggling through Koweit and Mohammerah and that he has submitted a Report suggesting how this can be stopped, and promising that if his recommendations are out the revenue of the Bussorah custom-house will increase by 25 per cent. He would give me no idea of the nature of his recommendations.

4. *Local feeling.*—I recently wanted to obtain some military statistical information, and I approached the Commander-in-chief. He said that he would give it me, and had the Returns prepared. When they were ready he told my dragoman that there were signs of a change at Constantinople and that he was not sure that the Government would approve of his giving information. He said that he was personally sure that it was to the interest of Turkey that England should understand as much as possible about the resources of the Ottoman Empire, but that as an official he could not do what might be considered disloyal by his own Government. He is still thinking about it.

5. *Sir William Willcocks and Engineers.*—The engineers have been over a very large portion of the country between the Tigris and Euphrates and have found the Arabs most friendly.

Sir William had rather an interesting conversation with a number of Sheikhs camping on Sukhlawiya Canal. They said that when the canal was closed they were ruined because their country became a desert, but they did not make much protest when the Turks closed a canal, because experience had proved that the Turks' work would not stand a flood. They said they had heard that Sir William made works that did stand, and that therefore they were face to face with a serious question. Sir William promised them that he would recommend nothing that could deprive them of water. They then asked him what nationality he was and demanded the same about the engineers who were with him. Sir William said they were all Englishmen. The Sheikhs then said "If you give us your promise we believe you, because the English are good people and their Safir (Ambassador) has always been a good man." By the Safir they meant the Resident at Bagdad, who has probably had nothing to do with them for many years; but the use of the word shows that in the minds of the Sheikhs England still holds a unique position here. I do not think it would have occurred to them to call any of the other Consuls "Safir."

(Signed) J. RAMSAY.

Bagdad, February 22, 1909.

[11853] No. 69.

Sir G. Lowther to Sir Edward Grey.—(Received March 29.)

(No. 210.)

Pera, March 23, 1909.

Sir,

THERE have been no developments of importance in the Asiatic provinces of the Empire since the date of my despatch No. 36 of the 18th January last.

The reports which I have received from His Majesty's Consul-General at Smyrna and His Majesty's Consul at Damascus show that the authorities are alive to the necessity of suppressing brigandage and are employing troops for that purpose.

With regard to Anatolia generally, the local press has, with rather increasing frequency of late, contained reports of distress and unrest, and there were somewhat serious disturbances at Suleymanieh in connection with those at Mosul, which formed the subject of my despatch No. 76 of the 6th ultimo, but peace seems to have been restored, at any rate for the present. The situation in the Vilayet of Diarbekir is somewhat uncertain, though it is satisfactory to note that Mr. Rawlins does not consider that there is any danger of an attack on the Christian population. The turbulent Eshreffs of the town seem to be hesitating between a continuation of their old attitude of opposition to any efforts made by the Vali to improve the general situation, and the opinion that such a policy is now played out, and that their best chance of maintaining their influence is to throw in their lot with the reformed régime. During the month of February they appeared to incline to the latter course of action, but about a fortnight ago I received a telegram from Mr. Rawlins to the effect that they were threatening to make a demonstration against the Vali; however, as I have received no further news on the subject it may be assumed that the Vali's request to the Porte to be granted full powers to deal with any disturbance has brought the Eshreffs to a more reasonable frame of mind. The Commission of Inquiry into the Veranshehr disturbances in October have now collected all their evidence, and are engaged in drawing up a report. Mr. Rawlins states that they have shown undoubted zeal and impartiality, and that he gathers from a conversation with the members of the Commission that they are in the main favourably disposed to Ibrahim Pasha's family, but that "they are afraid of letting their views be known in Diarbekir owing to their fear of enraging the Eshreffs." In the neighbourhood of Veranshehr Mr. Rawlins reports a fresh raid on the Milli tribe, in which ten were killed, a large number wounded, forty-five flocks of sheep and other loot carried off. The Vali is taking up the case with energy, and appears to be in favour of releasing Ibrahim Pasha's sons so as to strengthen the Milli tribe and thus restore the balance of power.

There is no great likelihood of any radical change in Eastern Anatolia taking place until the much-talked of Commission has got to work. It is not known when it will start, but a part of its instructions have appeared in the press; under them it will have very extensive executive powers, including the right of overriding Valis in the event of disagreement.

The unrest in the Hejaz continues, and attacks on the railway have been of frequent occurrence, and the newspapers publish reports from Sanaa of the rise of a Mahdi, who is said to have attracted a considerable following.

I have, &c.

(Signed) GERARD LOWTHER.

[11855] No. 70.

Sir G. Lowther to Sir Edward Grey.—(Received March 29.)

(No. 212.)

Sir,

Constantinople, March 24, 1909.

I HAVE the honour to forward herewith a despatch from the British Vice-Consul at Hodeidah reporting on the Turkish punitive expedition which has commenced operations against the Zereneek tribe in the Yemen.

I have, &c.

(Signed) GERARD LOWTHER.

Inclosure in No. 70.

Vice-Consul Richardson to Sir G. Lowther.

(No. 6.)

Sir,

Hodeidah, March 2, 1909.

I REGRET to observe that I have omitted to report to your Excellency the arrival here on the 30th December last of Ferik Hassan Tahsin Pasha, the newly-appointed Vali and Military Commander of the Yemen, *vice* Ahmed Fezi Pasha, retired, who was accompanied by Nedjib Pasha, nominated to the Mutessariflik of Hodeidah.

The other officials sent to this province that arrived with the Vali Tahsin Pasha were General Rifaat Pasha, to command the 13th Division of the VIIth Army Corps at Sana'a, Redjib Bey, adjoint of the Governor-General (formerly Maktubjee (Secretary-General) at the vilayet), and Mahomed Amin Effendi, Naib of Hodeidah.

On arrival at this port of the Vali a deputation of prominent local merchants waited on his Excellency and represented the loss to trade and commerce in consequence of the depredations of Zereneek tribesmen on camel caravans passing between this and Beit-el-Fakih and Zebeed, two important trade centres. It was pointed out that security of the above routes was most important to Hodeidah trade, that was being ruined on account of the constant brigandage carried on by the tribesmen having reached an incredible degree, owing to the apathy of the old local Administration, that took no steps to suppress same.

I lost no time in furnishing Tahsin Pasha with the history of the Zereneek tribes during the past seven or eight years, that was the cause of almost daily interruptions of the overland telegraph line that it was in the habit of cutting, and was, moreover, responsible for various acts of piracy committed on British sailing craft along its littoral.

Tahsin Pasha assured the local mercantile community and myself that this important question would receive his consideration at a very early opportunity.

His Excellency has since been in communication on the subject with the Sublime Porte.

Orders were received last month from Constantinople authorizing the organization of a punitive expedition against the Zereneek tribe, with a view to establish security of the trade routes traversing its district, and bring about a permanent subjugation of the tribesmen.

On the 7th February, a battalion of infantry under Major Redjib Bey (1st Battalion of the 50th Regiment) arrived at Hodeidah from Sana'a, and another was landed here on the same day from Midi (2nd Battalion 54th Regiment). These were followed by two companies of the 1st Battalion of the 56th Regiment from Hujjeh.

A few days later (12th February) the above force, barely 800 men strong, under Hedjib Pasha, the local Mutessarif, marched towards Beit-el-Fakih to commence operations against the refractory tribesmen.

The Turkish garrison at Zebeed under Riza Bey, after punishing the Arabs that offered resistance in the vicinity, moved south, and after some fighting captured the Zereneek stronghold at Husseinia with but trifling loss of men.

News reached Hodeidah on the 24th ultimo that on the previous night the Beit-el-Fakih force under the Mutessarif, Nedjib Pasha, had attempted to join hands with the troops under Riza Bey who was advancing from the north, but were attacked by a strong force of the rebels that were lying in ambush close by. After losing about thirty men and part of its transport, it was obliged to beat a hasty retreat on Beit-el-Fakih.

Two days later a Turkish convoy from Hodeidah, bound for Beit-el-Fakih, was held up by a strong force of Arabs, who killed about thirty men of the escort, and captured some twenty camels laden with stores and provisions destined for the operating force.

Since the above incidents the troops under the Mutessarif have remained inactive at Beit-el-Fakih awaiting reinforcements.

It has now been decided to augment considerably the strength of the punitive force, that will consist of ten or twelve battalions of infantry, two companies of mounted gendarmes, and eight guns.

Information from Sana'a reached Hodeidah this morning to the effect that General Yussuf Pasha had been appointed to conduct the operations in the Zereneek country, and that that officer, with three battalions of infantry, had already started from the capital.

It is estimated that the Zereneek tribe has a mobile force of about 10,000 men, who are well armed and are good marksmen, so that the Turks have not an easy task before them in hunting down and subduing these truculent tribesmen, that are distributed over a wide and scattered area.

On the 21st February two Turkish gun-boats the "Tashkubri" and the "Nau-Shahir," that have been sent from Constantinople to patrol the Yemen littoral of the Red Sea arrived here from Camaran, that they had reached a fortnight previously.

On their voyage down the Red Sea they encountered two dhows near a place called Koz that were running arms. They succeeded in sinking one dhow and in capturing the other, and confiscating 350 rifles and a quantity of ammunition.

These gun-boats are now cruising about the coast south of Hodeidah, and co-operating with the Turkish troops engaged on land against the Zereneek Arabs.

I have, &c.
(Signed) G. A. RICHARDSON.

[11857] No. 71.

Sir G. Lowther to Sir Edward Grey.—(Received March 29.)

(No. 214.)
Sir, *Constantinople, March 24, 1909.*

WITH reference to my despatch No. 846 of the 8th December last, I have the honour to forward herewith a despatch from His Majesty's Vice-Consul at Hodeidah, reporting on the reforms which it was recently proposed to introduce in the Yemen.

I have, &c.
(Signed) GERARD LOWTHER.

Inclosure in No. 71.

Vice-Consul Richardson to Sir G. Lowther.

(No. 5/E.)
Sir, *Hodeidah, March 1, 1909.*

I HAVE the honour to acknowledge the receipt of Mr. Hohler's despatch of the 9th December last, transmitting copy of one addressed by your Excellency to His Majesty's Principal Secretary of State for Foreign Affairs, in which was inclosed an extract from the "Shura-i-ummat," giving a summary of the proposed scheme of reforms for the Yemen Vilayet.

I beg to offer a few observations on the decisions taken by the Council of Ministers with reference to the proposed arrangement with the Imam Syyed Yahya.

It will be seen from the above that it is intended to delegate the civil and religious administration in the district of Sada to Yahya.

I infer from this statement that the central authorities are unaware of the fact that the Imam Syyed Yahya has not, since the death of his father, the Imam Hamiduddin in 1904, had any vestige of authority at Sada or its environs. His sphere of influence during the past four or five years has been limited to Kuflet-Azhar and Shahara and the neighbouring country.

About three months prior to his death the late Imam Hamiduddin was affected with a stroke of paralysis in one of his upper extremities. According to the precepts of the Zeidi faith, it is strictly enjoined, *inter alia*, that the person selected to fill the post of Imam should be sound in every limb.

When attacked by paralysis, a Notable of Sada, one Syyed Hassan-el-Kasimi-el-Dhaiyani, claimed the Imamate, but had not a sufficiently strong following at the time to back up his pretension.

However, since the death of the Imam Hamiduddin in 1904, the Dhaiyani has openly asserted his claim, and has been able to hold his own in the Sada district against Syyed Yahya.

It is true that he has been supported by the Turks at the instance of the late Commander-in-chief, Ahmed Fezi Pasha, with a view to crushing the power of Syyed Yahya.

During the greater part of last year the Dhaiyani was in conflict with the latter, on whom he succeeded in inflicting a defeat on more than one occasion, and also in capturing a couple of cannon.

It is difficult to conceive how the Turks will be able to delegate the administration of the district of Sada to Syyed Yahya now, unless, in conjunction with the latter, they first crush his powerful rival, the Dhaiyani.

It is at the same time doubtful whether the Sheikhs and other Notables at Shahara or Kuflet or in the Hashid territory will accord their assent to any arrangement between the Imam and the Ottoman Government that does not provide for an exclusive autonomy of the mountainous district north of Menekha, and including Sana'a and Taiz, under the Imam of the Zeidis.

I hardly think that the Central Government will go so far in its concessions, but anything short of the above, if accepted by Syyed Yahya, will assuredly lead to his dismissal by his followers, and the immediate appointment of a new Imam.

The question of arrangement with the Imam is a most difficult matter, as there are numerous other factors to be considered in any final settlement. For instance, should the Turks decide to modify, however slightly, their present status in the Yemen highlands, five or six Imams would immediately present themselves to lay claim to various districts of which their tribes were in possession and in occupation, and absolutely independent of the then Imam at Sana'a, up to the advent of the Turkish army in Yemen under General Moukhtar Pasha in 1873.

It would be wrong to suppose that the districts of Harraz, Hashid, Belad-el-bustan, Anis, Ta'iz, &c., ever belonged to the forbears of the present Imam, although the respective Chiefs and tribesmen of the above places have, on several occasions during the Turkish occupation, made common cause with the Imam Syyed Yahya and his predecessor, Hamiduddin, in their attempts to drive out their Ottoman conquerors.

In November last year two notable Yemen Sheikhs, Syyed Mahomed Muzaikar and Shereef Abdulla-bin-Hassan-el-Mutawakkal, that had been undergoing exile in the Island of Rhodes for several years landed at Hodeidah, having been dispatched to this province from Constantinople by the Ottoman Government.

The object of their visit was to interview the Imam Syyed Yahya, and to induce him to send deputies to Constantinople, to present his claims before the Central Government, with a view to arranging a permanent peace in this vilayet.

The above-mentioned Arab Chiefs, after spending about two months in the interior, returned here on the 18th January last in company with Syyed Abdulla Ibrahim, the Kadi Izzi-es-Sherki and Syyed Mahomed-es-Shami, and sailed for Constantinople a few days later in a Khedivial steamer.

These three latter personages, who have great influence with the Imam and their fellow tribesmen, were selected by Syyed Yahya to represent him in the negotiations pending with the Turkish Government.

It is not generally credited that any satisfactory understanding will ever be reached, especially as the Imam and his entourage find the present an excellent opportunity for pressing their preposterous demands, which, if accepted, would be most prejudicial to Ottoman suzerainty.

The Turkish forces in this province just now are not very strong, but a particular source of weakness has resulted since the departure of its best officers, who were well acquainted with the country and well tried in warfare against its mountaineers, so say nothing of the irreparable loss suffered by the VIIth Army Corps by the resignation of its veteran Field-Marshal, Ahmed Fezi Pasha, who had spent the best part of his life in the Yemen, and has been during the past quarter of a century more or less its successful leader in a continual strife with the truculent and rebellious inhabitants, by whom he was both feared and liked.

Perhaps my views of the political situation may appear somewhat pessimistic, but it is hoped that future developments may prove my views to be wrong, and that the negotiations proceeding between the Turkish Government and the Imam Syyed Yahya will assume a favourable turn, and thus open a new era of peace and prosperity in this distressful and hapless province, where there are great possibilities.

With truth and great respect, I have, &c.

(Signed) G. A. RICHARDSON.

[10682] No. 72.

Foreign Office to Treasury.

Sir, *Foreign Office, March* 29, 1909.

I AM directed by Secretary Sir E. Grey to transmit to you, to be laid before the Lords Commissioners of the Treasury, a copy of a letter from the India Office forwarding a telegram from the Viceroy of India,* proposing to comply with a request made by the Sheikh of Koweit for a loan of two lakhs (13,333 rupees) to be repaid in two yearly instalments without interest, and with the sole condition that, pending repayment, the Sheikh should not borrow elsewhere.

The Secretary of State for India recommends that the Government of India's proposal should be approved subject to certain conditions, one of which is that any loss arising out of the transaction shall be shared equally between the Imperial and Indian Exchequers.

* No. 59.

It will be seen that the proposal involves no direct charge upon public revenues, and that His Majesty's Government have as security the amount of the rental paid to the Sheikh for the lease of his foreshore.

With regard to the previous loan to the Sheikh to which reference is made, that advance was effected on the responsibility of the Government of India alone.

In view of the considerations advanced by the Government of India, Sir E. Grey considers that the present scheme should be agreed to on the conditions proposed by Viscount Morley; and he recommends to the favourable consideration of the Lords Commissioners the suggestion that, in the improbable event of any loss arising out of the transaction, such loss should be shared equally between the Imperial and Indian Exchequers.

I am to invite attention to the importance of arriving as soon as possible at a decision in the matter, in order that a reply may be returned to the Government of India at the earliest possible date.

I have, &c.

(Signed) LOUIS MALLET.

[12232] No. 73.

India Office to Foreign Office.—(Received March 31.)

Sir, *India Office, March* 29, 1909.

WITH reference to the correspondence ending with the telegram to the Viceroy of the 24th ultimo, as to the recommencement of mining operations at Abu Musa, I am directed to inclose copy of a telegram from the Viceroy, reporting that arrangements have been made for supplying Messrs. Strick with a sample shipment of 400 tons of red oxide.

The supply of oxide to Messrs. Strick is not, as was pointed out in my letter of the 3rd ultimo, inconsistent with any undertakings given to the German Government in the Memorandum of the 10th July, 1908. Viscount Morley, on a consideration of the facts reported in the Viceroy's telegram, proposes, subject to any observations that Sir E. Grey may have to offer, to instruct the Government of India to approve the action taken by Major Cox.

A matter that remains for consideration is whether, in the circumstances, any communication to the German Government, such as was suggested in your letter of the 12th ultimo, is required. Lord Morley would be glad to be favoured with Sir E. Grey's views on the point.

I am, &c.

(Signed) A. GODLEY.

Inclosure in No. 73.

Government of India to Viscount Morley.

(Telegraphic.) P. *March* 17, 1909.

YOUR telegram of the 24th ultimo as to Abu Musa.

Resident, Persian Gulf, telegraphed 5th instant, as follows:—

"I received a telegram from First Assistant on the 10th ultimo, while at Charbar, on my way back from India, informing me that a definite order for sample shipment of 400 tons urgently had now been given by Strick, who had agreed to pay half in advance, and at rate of 15*s.* 6*d.* per ton. Accordingly, after arranging for dispatch from Karachi of few indispensable implements, I called later at Lingah, where I made the requisite arrangements for mining of the amount ordered to commence immediately, under supervision of Residency Agent and brother. I also wrote to the Sheikh of Shargah to explain the emergent arrangements for supply of this particular consignment which I had made in his interest. I trust that arrangement may stand, as operations must have commenced by now, and will be carried out with all possible economy, in order that a margin of profit may result. No further sign has been made by Germans, up to date, nor have operations been resumed by Hassan."

Resident is satisfied that compliance with Strick's request will not prejudice final settlement of German case, and that Government will incur no ultimate loss by the operations. With your concurrence, therefore, we propose that action taken should be approved.

[12276] No. 74.

Euphrates and Tigris Steam Navigation Company to Foreign Office.—(*Received March* 31.)

3, *Salter's Hall Court, Cannon Street,*
London, March 30, 1909.

Sir,

WITH further reference to the disturbances on the River Tigris, I have the honour to inform you that our agent at Bagdad has telegraphed to us, under date of the 29th instant, to the effect that arrangements have been made through His Majesty's Resident at Bagdad and the local Turkish authorities for the steamers of this Company and of the Hamidieh Administration to run in company under escort between Gurnah and Ali Gharbi, leaving Gurnah on the upward voyage every Sunday morning, and leaving Ali Gharbi on the downward voyage every Thursday morning, until the revolt is quelled. These arrangements will seriously interfere with the full employment of our fleet; in fact, three steamers instead of two will be required to maintain the usual weekly mail service. We hope that His Majesty's Embassy at Constantinople will press the Turkish Government to hasten measures for the restoration of order.

I have, &c.

(Signed) H. W. MACLEAN, *Secretary.*